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Czechoslovakia

In an 11 June press conference following the second round of talks between the Slovak Movement for a Democratic Slovakia (HZDS) and the Czech Civic Democratic Party (ODS) to determine the future of the federation, ODS Chairman Vaclav Klaus admitted, according to Prague Radio, that the talks have not "advanced very far" and said that the "principle contradiction" between the two sides' views "exposed itself again and again." HZDS Deputy Chairman Milan Knazko, speaking for Chairman Vladimir Meciar who was not at the briefing, asserted that there is "nothing about the disintegration of the state" in his party's program and suggested that the future of the common state be put to a "referendum." The talks are scheduled to continue on 14 June.

Poland

President Lech Walesa, in a news conference broadcast by Warsaw radio, said the files of the Security Service (SB) released by the former interior minister were "incomplete," but that he would "regain the full documentation" which would show he had a "magnificent struggle" with the Communist authorities from which he did not emerge "completely clean" but he was "not as dirty" as the material released indicates. Concerning the ouster of the old government and the formation of the new one, Walesa said Jan Olszewski's government "had no chance of staying in place" after the release of the SB documents, which Walesa saw as a "provocation," and the president would do "everything in his power to ensure" that Waldemar Pawlak forms a government.

Bosnia-Hercegovina

Radovan Karadzic, president of the Presidency of the Serb Republic of Bosnia-Hercegovina, informed the press of the Serb decision to declare a "unilateral cease-fire" effective 15 June, TANJUG reports. He advised UN Secretary General Butrus Ghali of the decision and insisted that "at least 800 officers" be deployed to monitor the cease-fire. Karadzic also urged that the peace conference on the division of Bosnia-Hercegovina be resumed.

Yugoslavia

Serbia—The Serbian Government has appealed for support from the "international community" to establish an "objectively acceptable dialogue" with ethnic Albanians in Kosovo, according to TANJUG. The government "will continue advocating constructive dialogue" with Albanian representatives, and is ready to offer "all that is specified in international documents in such cases."

Montenegro—After considering opposition proposals, the Presidency has indicated that the idea of forming "government of national-civic unity merits consideration," TANJUG reports. The Presidency proposed a meeting with opposition party representatives on 17 June. Belgrade radio reports that the Socialist Party "demands a government of national unity" and the adoption of a declaration "that would condemn the policies of Slobodan Milosevic."

Croatia

According to a statement prepared for TANJUG, Milan Milanovic, deputy interior minister of the "Republic of Serb Krajina (RSK)," "accused Croatia on Thursday of not withdrawing its heavy armaments from the area of Slavonia, Baranja and Western Srem where the U.N. peace-keeping forces are being deployed." Also, Milanovic "assessed that the deployment of the U.N. peace-keeping forces in the RSK was proceeding slower than" expected.

Brussels Meeting Discusses Yugoslav Succession

Delegation Protests Airport Incident

LD1006132892 Belgrade TANJUG in English 2148 GMT 10 Jun 92

[Text] Brussels, June 9 (TANJUG)—A meeting of experts from the former Yugoslav Federation, entrusted with dealing with questions of succession, opened on Tuesday night in Brussels two and a half hours later because the representatives of Serbia and Montenegro were prevented from arriving on time.

The delegation of the Federal Republic of Yugoslavia (SRJ), represented by experts from the Republics of Serbia and Montenegro, was exposed to unpleasantness during travel and on arrival to Brussels.

It first had to wait for permission for overflight of the special plane across Hungary, Austria and Germany, only to be detained at the Brussels Airport by police which took away their Yugoslav passports.

The Yugoslav delegation on Tuesday night strongly protested to the Belgian host and warned that if a similar situation was repeated they would not take part in the work of the Conference on Yugoslavia.

The U.N. Security Council Resolution 757, imposing economic sanctions against Yugoslavia, including air traffic embargo, explicitly set out that the measures did not pertain to the activities related to the Conference on Yugoslavia. The same provision was entered also in the E.C. document on sanctions.

The group of experts chairman, French Diplomat Bertrand de Largentaye apologized to the members of the delegation of Serbia and Montenegro, and explained that this was a 'misunderstanding', which he said must not happen again.

The debate on succession of the former Yugoslav Federation is to be lead also on Wednesday.

'Inventory' of Assets Taken

LD1106121692 Belgrade TANJUG in English 0133 GMT 11 Jun 92

[Text] Brussels, June 10 (TANJUG)—Experts in succession matters working within the peace conference on Yugoslavia made Wednesday an "inventory" of assets and debts being left by the one-time federation from which its four republics have simply seceded.

The principles and legal regulations under which the assets are to be divided will be brought, however, by other bodies of the Conference on Yugoslavia being held under the auspices of the European Community (E.C.) since last September.

Representatives for Serbia and Montenegro, appearing as a unique delegation of the Federal Republic of Yugoslavia (FRY), cautioned that, failing an agreement among the conferees, they are going to present the question of succession before the Hague International Court of Justice.

A separate working group set up by Lord Carrington, chairman of the conference, should also make its opinion known on all aspects of succession, including the matters of continuity and international legal succession. Its first meeting was scheduled for June 29 in Brussels.

The delegation of Croatia, a republic which broke away from Yugoslavia by force, insisted on having the latest war damage treated within a partition balance. The FRY representatives came out against that, assessing that not involved is a war involving separate sovereign states, but a conventional rebellion against legal authorities.

Not yet settled has been the question of war indemnification from World War Two, of whose payment Croatia has been spared for all that it fought in it on the side of Nazi Germany.

Decided was that a special commission be set up to deal with the matter and that the most eminent experts in that matter be invited to sit on it.

The so-called independent state of Croatia, a World-War-Two quisling creation, covered the territory of the present-day Croatia and a part of Bosnia-Hercegovina.

Associate WEU Membership for Visegrad 3

AU1006112792 Prague LIDOVE NOVINY in Czech 3 Jun 92 p 1

[CSTK report: "Affiliation With the Western European Union"]

[Text] Paris—The Western European Union (WEU) Assembly, which has convened in Paris, recommended on 1 June evening that the CSFR, Hungary, and Poland should be accepted this year as associate members of this intergovernment organization. These countries should eventually be granted full-fledged membership; obviously, when they become rank-and-file members of the European Community. Affiliation could also be offered to Estonia, Lithuania, Latvia, Bulgaria, and Romania at a later stage. The WEU should conclude agreements—containing pertinent guarantees—with the associated countries on maintaining peace.

President Berisha Speaks Before U.S. Visit

AU1206081692 Tirana Radio Tirana Network in Albanian 2010 GMT 11 Jun 92

[Interview with President Sali Berisha by unidentified correspondents in Tirana on 11 June—recorded]

[Text] [Berisha] [Words indistinct] President Bush, Secretary of State James Baker, and distinguished personalities in U.S. political life. At these meetings, I will describe, to Mr. Bush and Mr. Baker, Albania's economic and political situation. I want to present the case of Albania to the United States as a special case. Of course, I will guarantee to those that I meet that the new Albanian state and all Albanians are determined to build a new democratic society. They are determined to build a democratic state and a society of free enterprise. For us, I think that the most important thing in the period through which we are passing is to play the role of an important factor of regional stability. Our disturbed area, racked by Milosevic's dictatorship, the last communist dictatorship in Europe, is passing through a period that is extremely dangerous for all its inhabitants and even for the whole of Europe. It is the duty of democratic forces in this region, by leaving [word indistinct], and holding fast to the principles of democracy, to isolate the conflict as much as possible, to limit it, and to overcome this difficult period that is so distressing for the peoples of this region. Milosevic's policy is a policy of war, and an absurd and inhuman policy.

At these meetings and discussions, I will also describe Albania's determination for reform, her determination to build a market economy, and to move from a command economy to a market economy. But I will also describe our difficulties. I will thus try as far as possible to draw the attention of the U.S. Government, U.S. parliamentary circles, the Congress and Senate, and American businessmen, to the need for greater economic aid and cooperation with Albania.

Also during my stay in the United States, I will visit New York and will meet with UN Secretary General Mr. Butrus Butrus Ghali and other leading officials of this organization. I will discuss with Mr. Butrus Ghali at length about the situation in the region and the efforts of the Albanian state to contribute to peace and stability. I will talk about the determination of the new Albanian state in this direction and will ask for greater UN support for the problems of the Albanians as a whole, for the Albanians who live under Serbian occupation in Kosovo, as well as the support of this organization's specialist organizations for the Albanian state during this period, a period in which there is real need for international help and support.

I will also meet American business circles, to whom I will present Albania's needs and also the great opportunities she offers. Albania is truly undergoing difficult times, but Albania is not a barren land. I am sure that foreign investors, if they invest, will make a profit in Albania. We have great natural resources. We have a relatively well-qualified work force. We are adopting, will adopt, and are determined to adopt the most advanced and liberal legislation in order to encourage foreign investment. Thus, in this sense, I think that my visit as a whole will serve to strengthen and further develop economic and political relations, and to further develop economic cooperation between Albania and the United States.

[Correspondent] Mr. President, how do you see Albania's relations with the world? Albanian diplomacy has recently been very active and intensive. How do you assess Albania's relations with the world in this period?

[Berisha] I think that Albanian foreign policy must be more active. Albanian politicians and their policies must make insistent efforts to overcome the consequences of the half century of isolation. It is mistaken to imagine that one visit or a few visits can eliminate these consequences. It is therefore necessary for all our diplomacy to commit itself to tangible steps and tangible agreements, and especially to commit itself to redressing Albania's image, which is and must be, I stress again, that of an important factor for stability in the Balkans.

First, the principles of democracy must be respected. The principles of democracy exclude conflicts and wars. Nobody has ever seen a war between two democratic countries. Look at what is happening in Europe. Who is fighting today? The only dictatorship that is left is fighting. I think that the more democratic Albania becomes and the stronger democracy in Albania grows, the more it will be integrated and the more effective its policies will be. In all our policies, we have aimed to recover lost time in relations with democratic countries, and I hope we have made a good start. All the same, greater efforts are necessary.

[Correspondent] Mr. President, excuse me. We are talking about the Balkans. You have recently stressed the value and success of the visits of Turkish Prime Minister Demirel and Macedonian President Gligorov. However, this appreciation has not been echoed and has even provoked a contrary reaction among certain Greek circles. What do you think of this?

[Berisha] First, I wish to stress that these visits have not caused any adverse reaction in official Greek Government circles. However, you know very well that the Balkans are both the cradle of modern human civilization and prone to widespread atavism. Many interpretations and value judgments are made, I would say, on atavistic rather than democratic grounds. I wish to say that Albania, in her relations with Greece, does not in the least threaten the interests of Macedonia and Turkey. Similarly, her relations with Macedonia and Turkey do not in the least threaten the interests of Greece or her relations with Macedonia. In my view, relations between democratic countries, whether they are bilateral or multilateral, cannot threaten the genuinely democratic interests of any country. I am once again convinced that these views are not those of the Greek Government and Mr. Mitsotakis, who has himself made concrete steps to

assist the development of relations between Albania and Greece. I can say that his visit was fruitful, and the steps that were discussed and agreed will very soon be brought to fruition. Politicians are not obliged to respond to the reactions of the tabloid press. [words indistinct]

[Correspondent] [Words indistinct] truly intensive diplomatic activity, and people are perhaps overoptimistic that there will be immediate changes in the life of the country.

[Berisha] There is no doubt that all this diplomatic activity is a preparation for changes in the country's life. In my view, a state is like a household. If a household does not create the impression that it is a good household and can be trusted, then it will reawake many suspicions among others, who will have problems in dealing with it. Similarly, Albania is trying through its policies to win the confidence of others. It has reasons for doing so. Albania has taken many hopeful and optimistic steps. A well-founded democratic system is being built, with democratic legislation in accordance with international standards. I think that this policy will pave the way for close economic and general cooperation between Albania and other countries. I stress once again that states resemble households, so that a stable state that is based on respect for human rights, basic freedoms, and good-neighborliness, and a state that strives for open borders with the free movement of ideas, goods, and people will encounter no barrier to its generous admission to the family of democratic countries.

The policy we are following is therefore one that will integrate Albania in Europe.

[Correspondent] Mr. President, excuse me. If you are now going to talk about our domestic policy, you said that we are building a new democratic policy. A significant restructuring of our state authorities has recently been observed. Of course, this has provoked a reaction from certain strata whose interests are opposed to this restructuring. What is your opinion of this?

[Berisha] Let us not forget that we labor under a very heavy psychological legacy. I would say that 22 March, when the democratic forces won, was a historic moment in two senses, but we must all bear in mind two problems. First, on 22 or 23 March, we fell into a legislative vacuum. I would say that this is seriously reflected in many ways, because democratic society cannot progress with socialist or semisocialist institutions. To my mind, the first step and first precondition is therefore to construct democratic institutions. If anybody thinks that we could build democracy on the foundations of the institutions we had, I would call this absurd. For example, let us take trade. Do not imagine that enterprises that served the state, when trade was a state monopoly, could start up again. This would mean preserving socialist structures in trade, which should be like the circulation of the blood for the economy. Every day I meet people, working people, who complain to me that they are encountering one obstacle or another precisely because a centralist mentality and centralist habits still persist. I therefore wish to say that there can be no doubt that a transformation of structures is a vital precondition for building new democratic institutions, because the old structures were the structures of totalitarian socialism, which has shown itself to be a total tragedy for one-half of mankind.

Of course, structural changes must also be accompanied by changes in personnel. First, we want people who are dedicated to the reform. I might say that the basic criterion in all these changes has been the criterion of dedication to the reform. People who persist in the old view of the world, who were the architects of the old practices, will no doubt find it difficult to build a democratic society. However, I can say one thing, and that is that these changes as a whole have not been carried out on the basis of party affiliation, and the fact that it has been very difficult to name names in all the commotion that has been made means that solutions have been reached on the basis of attitudes to the reforms.

We must not forget that in Albania, as in all the countries of the East, antireform and antidemocratic forces will remain a reality for a certain length of time. It is precisely these forces that have caused commotion about the changes and make a noise about human rights, even though until yesterday they considered the very words human rights to be heretical. Today, they say that human rights are being violated, but they do not name names. In practice, the changes have therefore been fair. I do not in the least exclude the possibility of mistakes, and I call on all those administrators and civil servants to correct their mistakes if they have erred, because it is an act of human dignity to correct a mistake. Nevertheless, I say that these changes were necessary.

A lot of commotion has been made about the fact that under the new law some former political prisoners and internees have been appointed to some posts without educational qualifications. First of all, this seems unkind. Second, I must say that I have met first-rate intellectuals among these people. These are people who, even though harried and persecuted, never for a single moment lost their love for Albania, their families, and for learning. They may not have degrees from Tirana University, but they have graduated in life, are mature intellectuals, and know foreign languages. Even so, such cases are not numerous. The commotion created about them is a political commotion. It is not accidental that in some institutions the names of various families that were outstanding families in Albanian history are being mentioned with pure malice in certain institutions. Those who mention these names are doing so in exactly the old spirit that the dictatorship inculcated in us for half a century [words indistinct]. I therefore say that this is in general a form of propaganda being waged for political purposes and with specific aims. The changes have been and are necessary. Reform means change. People who cannot accept change do not accept the reform, and I

stress again that there are plenty of antireform forces in Albania and other countries of the East.

[Correspondent] Mr. President, it is well known that in building a democratic state the first step to be taken is to struggle against corruption. You issued a decree a few days ago about inspecting the wealth acquired by Albanian citizens or joint Albanian-foreign enterprises during the last two years. Do you think this is the only way to combat corruption?

[Berisha] I wish to first state that corruption is today the first peril and enemy of democracy in Albania. It is one of our most bitter legacies from the communist regime. This regime, as it fell, very quickly organized corruption on a scale that is striking at the roots of Albania. I must say that there is a tendency for Albanians to divide themselves into the corrupt and the uncorrupted. The truth is that the struggle against corruption is vital for ourselves, for our children, for our dignity, and for Albania. Whether we will succeed in building a democratic state in accordance with our ideals or will be a republic racked by mafias, bandits, thieves, and criminals depends on the success of this struggle. I am still convinced that the latter will not happen. The struggle against corruption has begun to yield its first results. However small they may be, they will grow.

This struggle must be started first of all in the state administration, and when I say the administration, I mean that it must include everybody without discrimination. Thus, the decree envisages the inspection of the wealth of all individuals who have relations with the state or have been registered as legal individuals or entities in the last two years. The struggle against corruption implies first of all struggling against this infection in persons who are directly involved in the struggle itself, i.e. in the ranks of the police, the investigators, the courts, the financial police, and the state administration. It is a source of amazement to find that the police have corrupted men in their own ranks, who receive bribes for the issue of passports. It must be said that there are others, and they are not on the whole the majority. However, in perpetuating crime in the actual authorities and institutions responsible to fight corruption, they do exceptional damage.

It is precisely in this context that we have made a number of changes which will lead to curing these institutions from this highly serious blight that especially spread during the transitional period.

What can we say, for instance, about the case of the Vlore Investigator's Offices, which raises only four or five cases each month? I do not have the right to say that they receive bribes, but I do have the right to remind them of Victor Hugo's saying, that he who silently acquiesces in a crime is more contemptible than he who commits one, because he is a coward, too. How can we bring to heel this Investigator's Office with its three or four cases a month, when other districts register dozens of the ugliest crimes?

I could cite many other cases of corruption in the ranks of state institutions. Corruption can of course not be cured by decree, but I must assure you that the struggle against corruption will be a main priority of the new state. I am certain that honest people and democracy and not corruption will benefit from this struggle. At the moment, we are reforming these organs. However, should the need arise, we could resort to other ways and means, always democratic ones, in order to secure a clean and decent society that matches the principles and morals of the Albanians themselves and the demands of a democratic and law-governed state.

[Correspondent] You said that wealth acquired in the last two years will be inspected. Will it be inspected in time, because it is well known that it was a corrupt state that spawned corruption.

[Berisha] I think that the main problem is wealth that has been created in the last two years. I can say that the state has been in many senses paralyzed in the last two years. I could give you dozens of examples from the last two years in which people have heard of endless agreements and contracts, but have seen no results. Unfortunately, many of the businessmen who came were bad people. Of course, we must make exceptions because there are plenty of honest foreign and Albanian businesspeople, who enrich themselves through their toil and sacrifice; we are pleased when they grow rich, because when they grow rich they enrich Albania. However, there have been others whose sole criterion has been how to profit in the most illegal ways. Of course, restrictions in this field can be obstacles. However, I think that the period between 1990, when the gates of privatization were opened but not on the basis of proper legislation, and the present day has witnessed a geometric progression in economic and to some extent political corruption.

[Correspondent] The Albanian people have now become extremely sensitive to the matter of public order. Although a significant improvement in public order is evident, it remains a delicate issue.

[Berisha] There is no doubt that the demand for a quiet and safe life is an elementary one, and involves a person's human right to peace. We have been and remain determined to restore order and calm. This was one of our main promises during the election campaign, and I have the satisfaction of being able to say that our first achievements in this area have been significant and indisputable. However, I can again say that there must be major improvements here. The reform of the institutions involved in public order is yielding results. The police's ability to arrest delinquents has greatly improved. [words indistinct]

I can say that these organs must work more intensively on public order. They must first of all eliminate from their ranks those elements that have collaborated with criminals in recent years. It cannot be said they do not exist. I can say that the Tirana police chief reported to me that when a police raid was organized for a certain

place, news about it arrived before the police did. This shows that these delinquents had collaborators among the police. Eliminating these is a necessary precondition of improving public order. There was the ugly case when two policemen in Koplik saw a woman being beaten up and mugged, but did not intervene. One is once again reminded of Victor Hugo's saying, but let them be prosecuted too, because it was their duty to protect the life and property of a citizen when these were being violated in front of their very eyes.

In this sense, I think that the law on disarmament will greatly help to stabilize public order. This law is vital in the situation that has arisen. Weapons have spread everywhere, and I can say that their main source has unfortunately been military units. [passage indistinct] The collection of weapons is therefore a necessary operation. In connection with the commotion that the veterans are making, we must change our conception [words indistinct]. On the other hand, I wish to stress that a high percentage of crimes are committed with (?weapons). Thus, they must be collected. I have been informed by the Public Order Ministry that under the instructions they have issued they have decided to prosecute not only those who fail to hand in weapons, but those who state that they have lost their weapons. As for definite cases in which veterans keep weapons, it has been decided that they can be kept with special documentation and in a special place. This is normal practice, because they must be (?documented) in case a museum requires them.

However, I cannot understand [words indistinct] that go as far as to encourage conflicts. Let those who incite conflicts realize that weapons will be handed in, weapons will be confiscated, and there will be no concessions. Albania will be peaceful and safe. Order will prevail. Calm will prevail. The law and democracy are unbending. They are much stronger than dictatorship, because they have the will of the majority of the people behind them.

[Correspondent] At your meeting with the trade unions yesterday, you spoke about the problem of the Army and the demilitarization of what you called a bunker-state. What do you think about this problem, which has been a severe burden to the state budget.

[Berisha] It must be clear that every dictatorship is a military state. Therefore, dictatorial countries are also military states. Albania is no exception to this, but is an example. I have said that Albania was in fact in this sense a bunker-state. However, people acquiesced in this, because they were deceived. The dictatorship portrayed this as a vital need of the homeland. The truth is quite different. The truth is that this military state did not serve the homeland's interests, because if you look carefully at the strategy drawn up by the dictator, you see that it diverges in many ways from the interests of the homeland and the nation. This military strategy of the bunker-state was a strategy that matched the dictator's psychology and suited his armchair. It did not defend the interests of the homeland. It defended the interests of the dictatorial armchair.

There is no doubt that one of our main tasks in this period is to move from a military to a democratic society. I do not wish to dwell on this or to bore the television viewer with figures. However, let me assure you of one thing. Starting from a single budget and calculating all other indicators, you reach figures that are two or three times the world average and two or three times the figures of democratic countries.

It is therefore utterly absurd, impossible, and unrealistic for anyone to imagine that the military means of a military state and the military structures of a totalitarian and socialist state can help to build a state of justice and democracy. Our task is therefore one of demilitarization, and we want to call everything by its true name for the sake of openness: Albania requires transformation from a military state to a democratic state and society.

Of course, this process requires a deep reform. However, I have the great satisfaction of being able to tell our television viewers that the Army's officers and servicemen were the first to ask for this reform. They have felt the need for a thorough reform of the Army for a long time, and not only the Army but all our Armed Forces, including the police, the National Intelligence Service, and other military institutions.

There is no doubt that the forces of order and the Army have maintained an admirable attitude in this period of transition. Historically, the Albanian Army has always maintained a correct attitude. It suffered under the dictatorship. It was dispersed according to the dictator's crazy strategy into thousands and thousands of units among the mountains and hills in order to ensure that it posed no danger to his oppressive rule.

However, I can also say that the Army and the police deserve great credit for the fact that they stood by their posts and not only did not interfere, but fully supported the conduct of the free elections in Albania.

Of course, they also deserve credit for the fact that they sought and embraced the reform. Reform of course implies changes in structures, a reduction in expenditure, shorter military service, cuts in the number of servicemen, and a closer approximation of all these figures to the levels seen in other democratic countries and societies.

For this purpose, the reform will involve discharges. The government decreed and I insisted in my capacity as commander in chief that the status of soldiers should be fully respected while this is done. There might be some protests or objections, but I have again taken the view that the state must obey the laws it has approved and it is vitally necessary to respect their status. It is true that they are being discharged with certain favors, but let us not forget that they spent their youth in the mountains, in the hills, behind the Dajti, on Tomor, and everywhere,

without shelter, etc. [words indistinct] Thus, society must be careful to ensure that they experience the reform with as little pain as possible.

I would say the same for the forces of order, the National Intelligence Service, etc. Moreover, I would say that soldiers have their status, but, in certain cases when they take part in political life after receiving their discharge, they will not lose their status and nobody will jeopardize it. [passage indistinct]

In general, I can say that the reform is an internal demand of the Army and this is a real expression of the democratic spirit of these people who desire a democratic Albania with all their heart, just like everybody else.

[Correspondent] Mr. President, excuse me. I would like to ask a question on behalf of thousands of Albanian families who are very anxious about the problem of the basket [of staple foodstuffs whose prices remain frozen]. Will the basket be preserved, or not? Please give as clear an explanation as possible.

[Berisha] I regret that the question of the basket has become a political game that is very unworthy of those engaging in it. It is unworthy because it is what I would call truly ignoble to trifle with the feelings of poor people. How does the problem of the basket stand? We have a final decision, which we have also agreed with the IMF, according to which, under Albania's specific conditions, we are obliged to protect six staple subsistence items for a time until the economy revives. The IMF has fully accepted our explanation. The truth is that we will protect these items, but will raise their prices while at the same time compensating the purchaser. Otherwise, if we sell bread at the current price of 26 leks, the Albanian peasant will no longer sow wheat because he will have no interest in doing so. We intend to buy wheat from him at a high price and to sell bread at a high price, and to grant money to compensate for the increase in the bread price.

[Correspondent] How high will the compensation be?

[Berisha] The compensation will be in full. Without a shadow of doubt. [words indistinct] It seems to me that this is a policy in the interest of all Albania, because if you exclude and punish the countryside by freezing these prices, you punish at the same time two-thirds of the Albanian people.

Moreover, I wish to stress that the shortages of items in the basket, such as oil, sugar, and soap, are indeed extremely tiresome, and previous governments bear the main responsibility for this: It was made clear to these governments that when the EEC granted food aid, these products would not be included in the aid and the Albanian Government must find them on the basis of bilateral agreements. None of these products were obtained by contract, as aid, or in any other way. The Italian Government was the first to respond to our request of several tens of thousands of tonnes of these products, and I am convinced that Italy will honor its obligation as soon as the problem of the government is settled there, a question that the political forces in Italy will solve soon. Similarly, we have also asked the Greek Government to change some of its aid and to give us some of these products. As far as I know, they have agreed to this. Mr. Demirel promised us 5,000 tonnes (?of aid), including 3,000 tonnes of sugar, 1,000 tonnes of oil, 1,000 tonnes of macaroni, as well as 1,000 tonnes of soap, and these will soon come from Turkey.

An agreement has been signed with the United States for oil, and other aid will arrive, so that the basket will not only be preserved, but will also be protected from speculators, because price ceilings will be imposed. Nobody will dare to sell above these ceilings, and they will be the prices established by the state.

Besides this, I must say that legislation must be reviewed. Speculators engage in sales, and I hear that they are only fined for this. I say that the fines should be at the level of total confiscation. However, we will look at these problems and will no doubt solve them with determination and without wavering. I therefore think that there are no grounds for anxiety about preserving the basket. As for the shortages, the government is doing its utmost to make them good as soon as possible.

[Correspondent] I thank you for our conversation.

[Berisha] And I thank you too.

Says 'Freedom Works For All'

AU1106124192 Tirana ATA in English 0931 GMT 11 Jun 92

[Text] Tirana, June 11 (ATA)—Under the title "Freedom Works For All" the newspaper ZERI I RINISE carries an interview with the president of the Republic, Sali Berisha, which says among the other things:

Freedom works for all. Today no one can deny that in Albania there are citizens, mainly youngsters, who started business with very modest sources. But they made proper use of freedom of business and have ensured an unprecedented good turnover. These are but the first steps, because in the future, freeing our minds from half century centralism, we will make use of all our great sources and possibilities. And one thing is sure, the feeling of responsibility in freedom enhances very much. I consider this as one of the major factors for bringing Albania out of crisis. Albania needs to mix some factors in order to cure the disease and recover. Firstly, people must devote their toil, sweat, mind, and energies to the establishment of a free economy. Secondly, Albania must ensure international aid and cooperation. Thirdly, the Albanians must be determined to build a democratic state. Only a genuine democratic state, only a democratic society, erected on the basis of the judicial state is capable to heal Albania's disease.

I may say that within two months, our government has ensured credits valued at 170-180 million dollars, due to the agreements and intensive activities. In the course of

this period it has issued a series of laws, which are a powerful base for the establishment of democratic institutions. During this period there has been a political and diplomatic activity Albania has never experienced previously. Are faster rates necessary? Naturally they are. Today it is necessary for the Law of Enterprises, the Law on Wages, Assistance, Houses, Investments, which are being drafted by the government. Anyhow I uphold that the government must constantly bear in mind the question of rates. Rates are vital to Albania.

No doubt Albania is a European country. Its goal is to integrate to Europe. Its policy is intended to be open to Europe and the U.S.A. and to integrate to Europe. Our policy should rely on the principles of integration. In this respect, I want to say that Albania is part of Europe striving to integrate to it, but Albania will maintain very good relations with the U.S.A., which has helped and helps Albania. We have to adopt measures to draw foreign investors. It is necessary to have a legislation to favour foreign investments. In my opinion the law will be such which must facilitate the investments not in a territory, but throughout the country. Only in this way, Albania will be able to exploit all its inner resources, will withdraw foreign investors, will employ the people, will accelerate the rates of economic development.

Discusses Concerns With Trade Unions

AU1106125192 Tirana ATA in English 0757 GMT 11 Jun 92

[Text] Tirana, June 11 (ATA)—On June 10 the president of the Republic, Mr. Sali Berisha, met with leaders of the Independent Trade Unions of the country upon the request of the National Council of the Union of the Independent Trade Unions of Albania.

The chairman of the trade union, Mr. Valer Xheka, forwarded to the president the most important questions concerning the working people: social assistance, corruption, arbitrarity of the leaders, transparence on the part of the government towards the trade unions, and asked from the government to be more active in the application of the economic and institutional reform and the establishment of the public order. Then, in the name of various trade unions, many participants in the meeting spoke. They voiced among others the worry over the growth of unemployment as well as the possibilities existing for many enterprises to start the work with making more efforts and with some investment. In regard to this problem, the president underlined the need of free initiative of the enterprises and the possible way to come out of the situation they are in. You should feel yourselves free, he said, and get free also from the psychosis of centralized management. The corruption of the former power holders and many current leaders is another problem put up at this meeting.

He said that above all it is those organs charged to combat corruption that should fight against it. The president said that this should be carried out insistently and without hesitation.

Speakers in the meeting voiced their worry over the social assistance, to begin on July 1. They demanded that it should not be applied without the approval of the respective law. In this regard Mr. Berisha said: I would like to assure you that social assistance, although not so good, will guarantee the Albanians their minimum standard of living.

The representative of the Trade Unions of Mining and Geology demanded the adoption of the Law on Pensions, the revision of the Law on Trade Unions, and opposed the drastic reduction of number of the working people in mines and geology as well as the closing down of coal, iron, copper mines according to a project of the Ministry of Industry and Mining Resources. For this the president said that our mines are not without perspective, but exact studies should be made to find out ways and possibilities to make them as much efficient as possible for the economy, suggesting the creation of corporations as well.

The preservation of the prices of the major foodstuffs was another question preoccupying everybody and tackled with at the meeting. These products, the president said among others, will not influence in the family budget because the working people will spend as much as they have spent on them previously. We shall encourage their producers.

Then, many problems were raised related to education, health service, art, questions of the countryside, the defence of the country, the cut of the expenditure of this sector, etc. Concerning these questions the president said that the former state has spent huge expenditure on defence, our whole state has been a military state. We, he said, will demilitarize this state. Democracy cannot be set up in a militarized state. But this is not the fault of the militarymen and those working in this sector, he said, but it is the fault of the former system. The reform in the Army will facilitate the functioning of the economy and it will not make difficult the life of those who are affected by the reform.

At the end the president voiced his full commitment to the solution of the problems worrying the country and evaluated the role of the trade unions in this direction.

Government Gives Figures on Economic Situation

AU1106084992 Tirana ZERI I RINISE in Albanian 20 May 92 p 2

[Article by Vladimir Avrami: "Financial Debts - Obstacle to Implementing the Reform"]

[Text] A few days after its creation, the new government announced the country's present financial situation. The foreign debt amounts to $500 million and domestic debt to 8.5 billion leks. While the figure of the foreign debt is understandable because of the decrease in export production, the domestic debt leaves room for questioning. Why is this figure so high?

Since last October, food has been mostly if not completely imported. The credit granted by countries such as Italy, the United States, the EC, Turkey, France, Austria, Canada, etc., confronted the market demands for hundreds of thousands of tons of food, whose value amounts to hundreds of millions of dollars. Excluding the aid that was given free to families, most of this was placed on the market as rationed food and medicine. We can give just one fact to show how great the sum of money deposited at the State Bank was: The third Italian credit alone included 66 million eggs. This is the cheapest product on our market. The amount of money deposited so far is more than one billion leks. It could be higher if we didn't have numerous thefts and acts of destruction.

Let us examine another fact. Despite defects and difficulties in privatization, more than 25,000 service and retail units have been privatized so far. A sum of money, however minimal, has been paid for each of them. We do not include here other firms such as small production units, fleets of vehicles, etc. Private stores have been and are subject to turnover tax. This financial assessment should not be underestimated, but it constitutes a considerable source of income for the state. Adding the part of gross social production that was 25-30 percent fulfilled last year to all this income, we cannot say that the cash flow to the State Bank has been small. Did all these measures help lower the domestic state debt? Surprisingly, no. Where did all this income go? The cashiers cry loudly that the tills are empty. Consequently, the banks have no cash to pay salaries. A few days ago, it was announced that another quantity of bank notes would arrive, but we must admit that this is not the solution. On the contrary, this adds another stone to the weight of inflation. The temporary solutions of increasing prices (which should be done) and suspending wage increases are not the best. It would have been easier to have scrutinized the accounts of aid, sales in retail units, and taxes, which have been calculated God knows how. Perhaps we could find out that the domestic debt is less, and does not burden the economy so much. This would at the same time be one less obstacle on the road followed by the new government.

Surveillance Apparatus Found in Serreqi's Office

AU1106132292 Tirana Radio Tirana Network in Albanian 1200 GMT 11 Jun 92

[Text] ATA reports that according to a Foreign Ministry diplomat, the Foreign Minister Alfred Serreqi has observed several pieces of surveillance apparatus in his office. According to the diplomat, who refused to identify himself, this surveillance apparatus was installed long ago, but the new minister knew nothing about it.

At a meeting with the ministry's staff, the Albanian minister made this fact known and fired former Foreign Minister Ilir Bocka and Kostaq Cifliku, former chief of protocol, because they knew beforehand that this surveillance apparatus existed.

Victims of Nationalization Present Demands

AU1106085392 Tirana REPUBLIKA in Albanian 28 May 92 pp 1-2

[Petition from Association of Property With Justice sent to President Sali Berisha; place and date not given]

[Text] Mr. President,

The Association "Property With Justice" was formed in August 1991 and extends through all the districts of Albania. It was officially inaugurated on 19 January 1992 in Tirana, was presented on the television news of that evening, and on 21 January 1992 was featured on the television program on parties and associations.

Soon after its inauguration, this association kept silent about its work until the 22 March elections were over, for the sake of the victory of democracy and at the request of the Democratic Party. We emphasize that the political prisoners and the members of this association are the foundation stones of the Albanian Democratic Party. They are the ones who voted for the Democratic Party on 31 March 1991 and on 22 March 1992.

If we bear in mind the natural growth of the population, the 19,355 families, who suffered expropriation in 1946, have increased to 60,000 families.

As we said, this association includes members and legal heirs of the families whose property of the post-1946 dictatorship forcibly and arbitrarily nationalized. This nationalization included all their property such as their houses that were burned by the invaders—livestock, working animals, tools, and a lot of merchandise goods in private shops, and the gold and jewelry of many Albanian families looted by force.

This association also includes the members or the heirs of the peasant families who have inherited property from their families, such as land, olive and citrus trees, houses, etc., that were left in their villages when they moved to towns, which the dictatorship nationalized by decrees issued in 1967 and 1968 and are given back according to the Land Law.

We do not exaggerate at all in saying that this association includes members of about 150,000 Albanian families, and each family has between three and five adult members with the right to vote.

We therefore ask you for a possible meeting to present and discuss these demands.

1. The recognition of property and the unconditional return of all kinds of property that the communist dictatorship regime forcibly and arbitrarily nationalized to the legal owners and heirs.

2. To annul all the laws, decrees, and resolutions of the Council of Ministers and the District Executive Committees issued between 1 December 1944 and 1 January 1992, which nationalized, confiscated and otherwise

affected the sacred rights of the private property of each Albanian, within Albania or abroad.

3. The prohibition and cancellation of all kinds of purchase and sale of private property and so-called state property made by former governments and those of recent months (including here some other actions that may have been carried out since 15 May), because they were carried out in a mafia-manner by corrupt officials and members of the government.

4. We demand the recognition of this association as a party in the discussion to draft property bills and other problems that ensue.

5. We demand the participation of representatives of this association in the privatization agencies of all levels.

6. We demand that the mortgage offices and the land registries offices be very strict in issuing the relevant documents to owners and legal heirs.

We consider it right to emphasize that the pan-national association "Property With Justice" is determined to continue to demand the full solution of its more than fair claims, using all legal and social ways and means in a democratic way.

With respect,

The presidium of the Managing Council of the National Association Property with Justice.

Teachers End Strike After Meeting With Berisha

AU1106202692 Tirana Radio Tirana Network in Albanian 1730 GMT 11 Jun 92

[Text] President of the Republic Sali Berisha received representatives of striking teachers from the districts of Mat, Puke, Mirdite, Fier, etc. Xhafer Dobrusha, chairman of the Trade Union Federation for Education and Science, was also present. The representatives of the striking teachers explained the difficult economic situation of teachers and their demand for increasing wages, which is the only reason why they are striking. The president told the trade unionists that he has always considered the teachers demands for increased wages to be right. He assured them that there will be an increasing of wages, which will come gradually and will be solved by the approval of the new wage system. At this meeting, they talked and came to an understanding about many essential problems of the development of education. The teachers' representatives, after meeting the president, declared that the strike will end today and that schools will work normally beginning tomorrow.

Two Looters Sentenced To Hang in Fier

AU1106163892 Tirana Radio Tirana Network in Albanian 1600 GMT 11 Jun 92

[Text] The trial sentencing the defendants Ditebardh and Josif Cuko, guilty of acts of looting that led to the deaths of five people from the Puka family in Libofshe of Fier District, was held in one of the courtrooms of Fier District Court at 0900 GMT [0700 GMT] today. The trial was heard by Judge Anton Beta, assisted by Judges Piro Konomi and Enver Zyka, and District Prosecutor Kico Nano, and Kujtim Sino as defense attorney.

The court returned the verdict of guilty for both defendants and sentenced them to death by hanging.

Council of Ministers Approves Enterprise Bill

AU1106125092 Tirana ATA in English 0808 GMT 11 Jun 92

[Text] Tirana, June 11 (ATA)—The meeting of the Council of Ministers was held recently under the chairmanship of the premier Aleksander Meksi. It discussed and approved the draft law on the state enterprises compiled in consultation also with experts of the European Community, the International Monetary Fund, and of the World Bank. It has on its basis a new concept of relations of the enterprise with the state and its function.

The legal provisions of this law stem from the concept that the state is the only owner of the state enterprises, while the rights of the state from this position do not affect the independent functioning of the enterprises. On the one hand, the state establishes a legal regime through which it monitors the activity of the enterprises in order to ensure their economic efficiency and swift and correct administration and which avoids abuses and dangers deriving from objective and subjective factors. On the other hand, the new draft law provides the enterprises the necessary economic independence, grants them great competences to create free relations with local and foreign partners and to conduct their economic activity in the conditions of free competition.

Differently from the existing law, the draft law envisages fundamental changes in the way of management and functioning of the state enterprises. According to it, the enterprise will be run by the steering council nominated by the respective ministry or by the organs of the local power, for enterprises which have little economic activity.

The steering council decides on major questions of the activity of the enterprise, its economic program, relations with other economic subjects, the wages, supplementary payments, etc. The working people of the enterprise are presented at the leading council by a delegate without the right of vote, elected by the collective.

Some of the provisions of the existing law on the competences of the enterprise on the wages, the distribution of the profit, the labour relations, etc., problems to be treated of juridically in the respective laws, are omitted from the draft law. In the meantime, the draft law defines some obligations on the use of a part of the profit of the enterprise for the reserve of the capital, the reserve for development, that for social assistance, the reserve for supplementary bonuses, etc., which aim to guarantee the continuity and extension of the economic

activity of the enterprises, the financial consolidation and the protection of it and of the working people in the face of sudden things and the market situation.

Parlamentiarians Meet German Defense Minister

AU1106122692 Tirana ATA in English 0924 GMT 11 Jun 92

[Text] Tirana, June 11 (ATA)—Parliamentarians of the Commission of Defence, of Public Order, of Information, National Service of the People's Assembly met with Mr. Schwartz, former German minister of defence on a visit to our country. The chairman of the commission, Mr. Azem Hajdari presented an overview of the work and activity of this commission. Mr. Schwartz explained the way of functioning of the commission at the German Parliament. He brought the experience of the reforms carried out in Germany in the respective fields. He promised that he will contact the German authorities to help the minister and the Ministry of Order with equipments and technical means.

Prime Minister Urges Intervention in Yugoslavia

AU1106205192 Sofia BTA in English 1933 GMT 11 Jun 92

["Today"—BTA lead]

[Excerpts] Sofia, June 11 (BTA)—In an interview with the Associated Press, Bulgarian Prime Minister Filip Dimitrov urged the intervention of UN or NATO forces to stop the fighting across Bulgaria's border in the former Yugoslavia. "The United Nations has to take the decision, and it has to be carried out either by multinational or by NATO forces," Mr. Dimitrov said. He warned that the continuing conflict might result in a division of Balkan countries into opposing blocs.

The MP's of the Fatherland Party of Labour (which went to the elections in a coalition with the Bulgarian Socialist Party and returned three candidates to parliament) introduced a draft parliamentary resolution on a vote of no confidence in Prime Minister Filip Dimitrov. The reasoning of the draft is formulated as "planned genocide of the Bulgarian people and polarization of the nation." National Assembly Chairman Stefan Savov said at the beginning of today's plenary sitting that the draft will be considered in the coming days.

Thousands of Muslims in Bulgaria started the day today with a festive prayer on the occasion of the festival of Kurban Bayram. In parliament today, National Assembly Chairman Stefan Savov greeted all Bulgarian Muslims with the commencement of the holiday.

The Council of Ministers today adopted an ordinance on social security of self-employed professionals and traders. They will provide for their social security at their own expense, and the only mandatory contributions will be to a pensions fund.

The question of allocating frequencies to private radio stations will be solved within a couple of months, it was indicated at today's meeting of the National Assembly Committee on Radio and Television. A frequency allocation licence will cost 70,000 leva (one us dollar now trades at about 23 leva), and broadcasters will be selected among applicants on a competitive basis. [passage omitted]

For the first time, the two Agrarian Parties, the United Bulgarian Agrarian Party, and the Nikola Petkov Bulgarian Agrarian Party, will mark together the anniversary of the killing of Agrarian leader Aleksandur Stamboliyski. Leaders of the Nikola Petkov Party told the press today that this will be the first step towards a unification of the two Agrarian Parties.

Parliament today carried on the vote on the pensions updating act. The faction of the opposition BSP [Bulgarian Socialist Party] again protested against the clause voted three days ago whereby the time during which a person occupied a full-time position in the apparat of the former Communist Party will not count as length of service. The Human Rights Committee and the Bulgarian branch of the Helsinki Watch today issued a joint declaration protesting against that provision which they describe as inconsistent with the humanitarian principles of national and international law. [passage omitted]

Dimitrov Assess Cost of Sanctions, Compensation

AU1106161692 Sofia TRUD in Bulgarian 6 Jun 92 p 1

[Report by Nikolay Zhukov and Todor Lipanov: "Embargo Against Serbia Reminds Us That the World Owes Us $700 Million For Our Solidarity Against Saddam"]

[Text] At this time, we have not received a single cent from the UN commission established on the basis of UN Security Council Resolution No. 724, according to which we should have been compensated "in cash" for the huge losses Bulgaria suffered from the Gulf war and the sanctions against Libya. It is a different issue that no ministry so far has presented a report on the damage inflicted on our economy, which is in a poor shape anyway, Finance Minister Ivan Kostov said to TRUD. The Bulgarian cabinet should have prepared such a report, despite the fact that the resolution has rather a moral character and does not represent any specific economic commitment to the states affected by the sanctions. This fact also explains the unbroken silence of the Ministry of Foreign Affairs Press Center, and more specifically, on the part of the ministry's spokesmen Veneta Momcheva and Rayko Radonov.

Indeed, Mr. Radonov hinted to TRUD that the experts from the Foreign Ministry's UN Department were very busy with that matter, therefore, they have no time for any statements. Apparently, they are working, but it appears not on the aforementioned issue, namely, on the $700 million we should receive as compensation for our losses as a result of the Gulf war.

There has not been a single serious military conflict in recent years, that has not affected our languishing economy, Minister Kostov said. Undoubtedly the sanctions against Serbia and Montenegro will represent the gravest blow against Bulgaria. We stand to lose at least $40 million per month. The market we directed ourselves toward has indefinitely turned into a graveyard.

Prime Minister Filip Dimitrov was asked by our reporter about the compensation we expect from the United Nations for our expected losses. This is what he said:

We made the appropriate request in connection with the Gulf war, and now things are following a certain order. So far we have not received the compensation we requested. First—the chance depends on the development of different situations. Second—with God's help I hope to receive a positive reply. Third—could you propose a different alternative?...

Government Adopts Privatization Ordinance

AU1106142892 Sofia BTA in English
1254 GMT 11 Jun 92

[Text] Sofia, June 11 (BTA)—The government adopted an auctions ordinance today. This is one of the essential documents which regulates the practical application of the Privatization Act.

This ordinance regulates the sale of state- and municipal-owned enterprises which have not been transformed into commercial partnerships, single-person state-owned and municipal-owned commercial partnerships, as well as of parts of such enterprises.

Foreign persons and companies are eligible to take part in the auctions provided they have already registered a partnership or have filed for its registration by the court.

Bidders are required to pay a deposit of 10 percent of the amount of the starting price. The auctions are to be held by three- to five-member commissions within 30 to 60 days from the date on which the auction is announced. If a single bidder steps forward, the auction will be postponed and repeated at least 15 days after the new date of announcement. If a single bidder is to appear in the second round as well, he is to win the auction.

Auctions are to be held both by open outcry and sealed bids. This ordinance regulates not just the sale but also the renting of units.

Last week the Council of Ministers adopted an ordinance on the appraisal of units of state property subject to sale.

DPS Viewed as 'Balancing Force' of Government

AU1206110892 Sofia DUMA in Bulgarian
5 Jun 92 p 6

[Mila Manova article: "Only the Rights and Freedoms Movement is One Step Ahead"]

[Text] The government crisis, which was evident for some people, while others pretended that it did not exist, seriously reshuffled the chess men on the political board. Against the background of general instability, the considerable upheaval revealed the truth that Rights and Freedoms Movement [DPS] is one step ahead of all other political forces. Instead of playing the role of a balancing force in parliament, which the DPS claims to represent, but has so far failed to prove (by always supporting the Union of Democratic Forces)[SDS], the DPS actually became the balancing force of executive power. No matter how hard he tries to deny this fact, Prime Minister Filip Dimitrov, like the SDS leadership as a whole, totally depends on the good will of the DPS. Not only the prime minister, but all of the nominees for ministerial posts in the new cabinet made a pilgrimage to the DPS headquarters in order to obtain their blessing.

The fact that no written agreement has been signed between the two allies is alarming rather than reassuring. Such an agreement would have informed the public about the future cooperation between the two political forces and the principles of this cooperation. The fact that the DPS, for the time being, does not claim any posts in the cabinet for its own people should also be a cause of concern for the present government. On the one hand, the DPS abstains from becoming involved in government affairs, while, on the other, it has the power of discrediting it. Such a strategy is very profitable and promising considering that the DPS, without assuming responsibility for specific administrative actions, while actually being in power, avoids the negative consequences of the government's failure.

The DPS totally preserves its image and the human potential for the next changes in the political constellation.

The DPS has preserved its good relations with the trade unions untouched, the consensus between Dogan and Trenchev continues, and there are no disputes at all with the Confederation of Independent Trade Unions in Bulgaria [KNSB]. The DPS even makes slight advances to the Parliamentary Union of Social Democracy, which is part of the Bulgarian Socialist Party [BSP], as a hint that the DPS has forgotten its aspirations to ban the Socialist Party and that it might be more conciliatory in a future redistribution of forces. No other political force in our country, with the exception of the DPS, has preserved so much initiative and contacts in all directions. The movement's future chances are even more promising. After two years of elections and political struggles, the DPS is the only party that has not lost even one voter. Dogan is the most successful politician of this period, having profited from all kinds of conflicts. While two sides, three sides, or five sides (that is, the various parties, leaders, and trade union bosses) were fighting each other, Ahmed Dogan and his movement adopted a wait-and-see position, they neither took sides, nor did they take the initiative in any of the conflicts, but occupied the vacant positions on the political scene that were abandoned by the losing sides. The first period of the DPS' existence, which was characterized by deliberate passivity and restraint in all actions, by the display of civilized behavior and good will, is over. A turn toward more resolute actions and more serious aspirations for a leading role in the political game is already evident. This is an useful lesson for all the major parties, which exchanged severe blows in trying to discredit each other, while the DPS people remained the only innocent and genuine victims of the former regime.

No matter how preposterous it may sound, the DPS, which is an ally of the SDS today, may join an alliance with the Bulgarian National Agrarian Union [BZNS] (if it should become a ruling force) tomorrow, or with the Bulgarian Democratic Center [BDC], but it is even likely to participate in a coalition in which the BSP would somehow be present. This seems quite possible, at least in as far as the DPS has never specified its own political

profile, regardless of the claims of a centrist orientation, which was never confirmed in connection with voting on parliament bills. The DPS has never openly declared its political objectives or its own option on a future political program that might bring it closer to one or distance it from another political camp.

The DPS is perhaps the only parliamentary force that quietly and steadily pursues and achieves achieves its own goals step by step. The introduction of the Turkish language and the building of mosques were the most topical targets and were promptly achieved. In addition to this, the "geographical scope" of the objectives successfully extended to the Bulgarian Muslims. On the other hand, the SDS has had much greater difficulty implementing its goals, with the exception of civil servants' dismissals. In other words, the government loyally serves the DPS, while reciprocity is by far not guaranteed. On the contrary, the rumors that the DPS has forecast no more than 2-3 months of survival for the new cabinet are quite reliable.

I do not expect the DPS to interfere with government affairs in the immediate future. Power exhausts one's strength too soon, and the DPS has already achieved its optimum success—its influence has considerably increased. Why should one bother, while others can take the chestnuts out of the fire. Nevertheless, the situation, the geostrategic one included, is quickly changing. God knows what is awaiting us in the near future. While other parties, such as the SDS, the BSP, and the BDC exhaust their strength in endless skirmishes, the DPS works for the future and is already ahead in the race. Meanwhile we continue to play the game of liberals, Socialists, monarchists, conservatives, and so forth, in a state that is about to collapse.

New Trade Minister Discusses Tasks

AU1106121392 Sofia TRUD in Bulgarian 3 Jun 92 pp 1, 3

[Interview with Bulgarian Trade Minister Aleksandur Pramatarski by Mira Radeva; place and date not given: "One Does Not Expect Miracles in Trade"]

[Text] Several days ago Mr. Pramatarski, who is 29 years old lawyer and the father of two daughters, became minister of trade. He has never been involved in trade, and his only connection with that field is his name—his grandfather was a well-known merchant in Gotse Delchev. Some people have already found a blemish and call the new member of the cabinet nouveau riche.

[Pramatarski] It appears that I have inherited a part of the store in my grandfather's house. The entire store has 15 square meters. Apparently, some people thought that I have special ambitions for a ministerial career and quickly attacked me. I have never longed for this hot seat and am aware of the great political responsibility I assumed after a period of hesitation.

[Radeva] Did you pose any conditions prior to assuming the new post?

[Pramatarski] Yes. First I requested the parliamentary faction of the Union of Democratic Forces [SDS] to support me when I am right. In addition, I demanded to subject everything that is taking place in the ministry to total transparency and clarity. The public must be informed about the problems of trade and be aware about the situation I found in this area.

[Radeva] What precisely do you mean?

[Pramatarski] I still am not familiar with all the details of the inheritance, but it appears to be terrible. Social tension in the country and unemployment are growing. Enterprises disappear one after the other because they can find no markets for their goods. Most of them were oriented toward the Russian markets, but those markets became questionable, not to say nonexistent. Our companies' storage premises are full of goods sought after in the republics of the former USSR. The problems is that they cannot pay.

[Radeva] What about the barter deals? Did you relinquish them?

[Pramatarski] By no means. However, since we have no secure markets the banks refuse to finance production. Thus a vicious circle emerges, and it is very difficult to break out.

[Radeva] In that case what is the first thing you will do as a minister?

[Pramatarski] We will implement a total change in the structure and functions of the ministry. I have already prepared my proposal for the Council of Ministers. However, this is not the most important thing. I will travel to Russia's Svredlovsk Oblast. There is a great interest in this region toward our foodstuffs, medicines, and Balkancar production. We could receive in exchange raw materials, oil, and coal.

[Radeva] Some people already call you a Russophile because you already prepared a meeting with the Russian minister of economy.

[Pramatarski] People have sharp tongues. It is important for us to rediscover the Russian markets. Therefore, I really prepare myself for the visit to Moscow, where I will have a difficult task. Back in February, we signed a protocol, according to which we were to receive three million tonnes of oil by the end of the year. It is already June, and we have not received even a single gram of oil. I will visit every Russian oblast interested in Bulgaria and will propose mutually beneficial cooperation.

[Radeva] Are you concerned with the fact that the production drop in Bulgaria undermines your position?

[Pramatarski] Very much so. Together with the Ministries of Industry and Finance we face a difficult task. Indeed, this is a great problem for the entire cabinet,

because who needs markets if there are no goods or when the goods cannot compete in the markets?

[Radeva] Do you think that the connection between producers and merchants in the domestic market has irrevocably been broken?

[Pramatarski] The so-called "parallel" companies provide one of the reasons for this situation. Many former directors created their own companies to which they sold the production of the plants they headed for much lower prices. While they were making a huge speculation profit, the state was losing money. We must untie the hands of the enterprises and allow them to conduct their own deals.

[Radeva] Does it mean that you almost abolish state trade?

[Pramatarski] No. It is true that recently it has lost ground to private trade, which is more flexible and efficient, when it is not guided by speculation considerations. It is indicative of the fact that the state has difficulties in coping with activities to which it was not accustomed. The fact that the state must control the state companies—something it did not do until now—is another matter. In the future, the various kinds of trade will not have an equal status. Naturally, private trade will have priority, but state trade will not disappear. Furthermore, the new structure of the ministry envisages a department that will deal with the small privatization of trade objects—this is one of the International Bank's conditions.

[Radeva] Some people claim that you want to abolish the ban on exporting oil products from Bulgaria. Is this a reasonable step against the background of the disorder in our fuel market?

[Pramatarski] We introduced a memorandum to the Council of Ministers, which includes such a demand. However, the demand is subject to the condition that our domestic market will be guaranteed a regular supply with oil products. You see what happens at the Plama company in Pleven. The company's storage facilities are full. Our domestic market is saturated with the company's products. Still, because of the ban the company cannot export even 10,000 tonnes of its products and must stop production.

[Radeva] I think that during your meeting with Mr. John Wilton from the World Bank he again insisted on lifting the ban on exporting goods from the country.

[Pramatarski] The demand was to have no more than 21 kinds of goods banned for export. The number of such goods has already been reduced to 16. However, let me return to one of the basic tasks of the Ministry of Trade: In addition to its primary concern with the domestic market, it also must prepare our association with the EC. The talks on this matter started already, however, we are facing a huge task in trying to assert uniformity in our export-import regulations and bring them to accord the European standards. Without accomplishing this task, we cannot speak about conducting civilized foreign trade.

[Radeva] We will certainly become Europeans in anything related to trade, but the Bulgarian citizens become poorer, Mr. Minister. What do you think about the commercial mastodons such as the Central Department Store and the district department stores, which demand incredible prices for their goods? Will we have social shops for poorer people?

[Pramatarski] Big stores exist throughout the world, and they will also exist in Bulgaria. However, they will not be based on the existing principle, but for example, on the principle on which the "Asko-Denitsa" Bulgarian-German commercial company operates. This company had a very successful year. As far as the social stores are concerned—they must be the concern of the municipalities, whose financial possibilities must determine whether they could maintain such trade objects. Personally I am against stores that sell low- quality used goods. This is something that degrades the people.

[Radeva] Obviously, Bulgaria will not soon become a "commercial" state. Nevertheless, could you commit yourself to a certain period of time by which we should come close to the civilized world in anything related to domestic and reliable international trade?

[Pramatarski] I am a moderate optimist. One should not expect any miracles in trade in the near future. This field has many difficult problems. I would be lying if I said that those problems will be resolved in the near future. There really will be a change in trade, but it will be slow and costly.

Army Commander Discusses Discipline Problems

AU1106183692 Sofia BULGARSKA ARMIYA in Bulgarian 2 Jun 92 pp 1, 3

[Interview with Lieutenant General Zakhari Iliev, deputy chief of the Bulgarian Army General Staff, by Major Krasen Buchkov; place and date not given: "Commander Must Tighten Reins of Discipline"]

[Text] At a recent meeting, the Military Council of the General Staff discussed the work of the command staff, unit commanders, and headquarters on strengthening discipline during the winter period of the training year. We discussed the problems raised and the proposals put forward at the meeting with Lieutenant General Zakhari Iliev, deputy chief of the Bulgarian Army General Staff.

[Buchkov] Lt. Gen. Iliev, what were the reasons that prompted this meeting?

[Iliev] There were a number of considerations. During their work in implementing the reform, certain commanders have laid more stress on the structural changes and neglected the everyday problems of army service. Some of the commanders are not managing to orientate

themselves in the new situation in the Army that has arisen in connection with the reduced length of military service, the growing apathy of certain officers toward fulfilling their functional obligations, the quality of the drafts of servicemen, and so on. We are alarmed by the numbers of serious incidents, which unfortunately show no signs of decreasing.

[Buchkov] Is the state of discipline lagging behind as compared with the progress of the democratic reforms in the Army?

[Iliev] The guidelines provided at the 1991 General Army Conference have not been fully implemented in practice. The entire command staff is not participating in the campaign to strengthen discipline. Specific organizational work on disciple is being neglected behind a screen of general talk and statements of justification. The greatest number of omissions lie in the area of extraordinary incidents. During the winter period, 120 extraordinary incidents occurred; of these, 34 percent were of a serious nature, and 16 percent involved loss of life. The Third Army recorded the largest number of breaches of discipline.

The incidents involving the theft of weapons (19 in number) are a matter of serious concern. Draft dodging continued—there were 35 cases in the period under review. Of the extraordinary incidents recorded, 32 percent were caused by alcohol abuse. Officers and sergeants were directly responsible for 44 percent of the incidents.

Recently there have even been cases of attacks on sentries. This is a completely new development, previously unknown in the Bulgarian Army, and it is not even covered by the definitions for extraordinary incidents. The commanders have to concentrate their work on this problem as well.

[Buchkov] What, in your view, are the reasons for the weaknesses in the overall work on strengthening discipline and obedience to army regulations?

[Iliev] The main reason lies in a formalistic approach. Many measures are taken, often merely for show and to make the report look good, at the expense of everyday practice and applied work. Some of the command personnel display a lack of activity, caused by feelings of insecurity regarding their job situation and the lack of clarity regarding resolving the problems. The next most important reason is connected with the decreased sense of responsibility among regimental officers. The lack of adequate material means for guard duty and to ensure internal order is a another major factor.

[Buchkov] What specific conclusions did you reach from your analysis of discipline during the winter period?

[Iliev] The principle must be established in practice that the commanders should personally participate in planning, preparing, and carrying out basic measures to strengthen discipline. The work of the headquarters staff should be aimed toward developing mature, effective, and strong-willed commanders who are able to rally the collectives through their personal example. Activities connected with strengthening discipline should be carried out without verbosity, monitoring activities should be organized in a stricter and more flexible way, and so on.

[Buchkov] What are the main recommendations that the Military Council approved?

[Iliev] The council decided that BULGARSKA ARMIYA can provide great assistance by publishing materials to popularize positive experiences in strengthening discipline. The council will continue to investigate the views held among the troops. When the new statutes are drafted, all the requirements regarding reporting and categorizing extraordinary incidents will be embodied in the Disciplinary Code. A long-term plan will be drafted for developing up-to-date warning systems for protected military installations. The Personnel Assignment Administration will prepare for the regional military administrations basic requirements regarding categorizing the drafts into the various armed services of the Bulgarian Army, and so on.

Labor Law Seen Removing Dismissal Protection

AU1206121592 Sofia PODKREPA in Bulgarian 4 Jun 92 p 3

[Bozhidar Dimitrov article: "Government and Parliament Try To Throw Trade Union Overboard"]

[Text] In May, against the tense background of the cabinet crisis, an amendment to the Labor Code was inconspicuously adopted by the National Assembly at first reading. Almost none of the trade union members and leaders understood what is to be adopted at the second reading. One is impressed by the press reports that the amendment was adopted with an almost total consensus, with only one opposing vote.

Perhaps it was a coincidence that the moment was exceptionally convenient for adopting texts that go against the interests of the trade unions. The entire press, television, and radio have been reproaching the trade unions for hindering the successful implementation of the reform. Political passions were inflamed against the Podkrepa Labor Confederation and the Confederation of Independent Trade Unions in Bulgaria [KNSB], which had found a common language. There were personal attacks on the leaders of the two trade unions, as well as, accusations of criminal activities. Obscene expressions were used even by professional writers. In the meantime, after a delay of six months, Mr. Dimitrov's cabinet realized that in sociopolitical life it is a crude mistake to ignore the trade unions. The Tripartite Commission was revived in a different form. That move was a case of well-planned demagogy but, if the amended Labor Code is adopted, there will no longer be any need to use demagogy.

It is right to admit that most of the Labor Code has been exceptionally successfully adapted to the objective needs of the time. The edition adopted in 1986 is mostly inadequate for the conditions of a market economy.

The problem I bring up almost represents a play of words, which nevertheless will have vital implications for the trade unions. The National Assembly members could hardly ignore the fact that the protection of workers against dismissal based on Article 335 of the Labor Code will be eliminated, because this matter is now dealt with in Article 333 of the new edition of the Labor Code. The very headline of the relevant article of the 1987 version of the Labor Code "The Consent of the Trade Union Committee...." means a change. Furthermore, the text that has been amended indeed belongs in Article 333 of the Labor Code, which deals with protection against dismissal.

Until now cuts in the payroll (Article 328, paragraph 1, point 2 of the Labor Code) were possible only after preliminary written agreement of the trade unions (on the basis of Article 335 of the Labor Code). Now this barrier that used to separate the trade unions and the employers has been removed. The manager has an unlimited opportunity to carry out cuts. Of course, there are some protecting articles, but they have no trade union character.

Indeed, there is no reason why this protection could not been incorporated in a collective labor contract. However, what is a contract? From a judicial point of view it is an agreement between equal sides. In this case however, we have an employer who has unlimited administrative power. The parties in the collective labor contract are hired workers, represented by the trade unions. In a period when there are 500,000 unemployed, there is hardly a shortage of manpower. Is hired labor an equal partner of an employer who has all the power?

I think that the existing text, which offers protection against dismissal (Article 335), is a barrier that cannot really exist under the present conditions. However, eliminating that text would represent an unacceptable and radical step. One must seek a certain measure of balance between employers and trade unions. The employers' superiority will make them the dominating side in bargaining, rather than an equal partner.

If the amendment to the Labor Code does not leave the trade unions with some ability to protect workers, we will find ourselves in a situation that resembles Article 1 of the former Constitution of the People's Republic of Bulgaria [which spelled out the supremacy of the Bulgarian Communist Party in all spheres of life]. No one is interested in such a radical step against the background of the current situation of the trade unions and the existing unemployment. It will be many years before the trade unions recover from such a blow.

It is hardly necessary to point out that the lack of ability on the part of the trade unions to protect workers will deprive the trade unions of their well-deserved authority and will encourage many members to leave. It is clear that in a parliamentary republic there is a total synchronization between the government and the parliament. Nevertheless, let us hope that such a radical step will not be allowed.

No Agreement After Second Round of Talks

LD1206084492 Prague Stanice Ceskoslovensko Radio Network in Czech 2125 GMT 11 Jun 92

[News conference by Michal Kovac and Milan Knazko, deputy chairmen of the Movement for Democratic Slovakia, HZDS; Vaclav Klaus, chairman of the Civic Democratic Party, ODS; and ODS Deputy Chairman Miroslav Macek, with foreign and domestic reporters, following HZDS-ODS talks on the future Federation; place not given—live]

[Text] [Klaus] I will try to say a few words by way of introduction. We must regretfully say that today's talks have not advanced very far. It would be wrong to give any other news to our public.

In an effort to avoid being accused of not having patiently searched for a solution, we have explained in detail our concept of a federation, one which should be looser than today's, allow the implementation of a number of objectives, and reflect the feelings and aspirations of the Slovaks and Slovakia for national emancipation. This was discussed for long, long hours and we think that we have reached a mutual understanding on these issues.

If the Monday meeting was characterized by the fact that we were informed about how our partners perceive the economic and defensive community, then the cards changed hands today; we discussed our idea of a functioning and loose—but still a—federation. This is a point which I would like to stress very, very clearly. These talks were very much to the point and very detailed.

Unfortunately, it is necessary to say that nothing, nothing at all, has changed on the differing points of departure. This principal contradiction exposed itself again and again, 1,001 times. Whether we like it or not, the issue which exposed itself today was an external issue, subject to international law—the unequivocal statement by our partners that they were striving for separate membership in international organizations like the United Nations. That was very valuable information for us. We were not aware of that earlier and I must say that it puts us into a somewhat different position than we expected.

We feel there is a great danger in delay, in the loss of time and the protracted solution of this question. We also could not agree, alas, on the issue of the timing of the formation of the Federal Government. We insisted that it be formed before the expected election of the president, i.e. by this 5 July. We spent a long time on that issue. We consider this date to be one of the consecutive dates which give a kind of dynamic to this process and some kind of guarantee of continuity or, if the case may be, a decisive and rapid conclusion.

We will, of course, continue. The talks will continue in Bratislava on 14 June, when we will try to reach a consensus on future procedures and on an agreement on the declaration of the future Federal Government, which certainly is a kind of preliminary condition for all that is to follow and for the formation—or nonformation—of the government in the foreseeable, visible future.

For us, of course, the situation is very much complicated by the fact that we see that our partner is maintaining his original position on the issue of a chance for the speedy election of the president and the chance to reelect Vaclav Havel as president, which results in a fundamental problem for us, the problem of further continuation. Nevertheless, on 14 June these talks will continue and we are prepared to play an active part in them.

[Knazko] Those who know the program of the Movement for Democratic Slovakia [HZDS] know that there is nothing about the disintegration of the state in this program. The HZDS program contains its own idea about future coexistence with the Czech peoples based on a free union between two sovereign states. What this union is to be like, however....[Knazko changes thought] Well, our program envisions that citizens will decide this in a referendum.

This means that in these deliberations decisions could not be made on two political subjects—although they may have won the elections—whether we part or not. In our view, what was and is involved in these deliberations is the fact that we again explained to each other our positions on this basic question to find out whether or not there has been a change since the elections; we found out that neither of us are dropping their viewpoints.

Thus we have the task of forming the Federal Government as soon as possible so that it can function, so that it can have its good program up until the referendum. It is only in the referendum that the citizens of the Slovak Republic can decide about what comes next. We also discussed possible questions which could be tabled to citizens in a referendum. We talked—for the time being this viewpoint is ours alone; it is not the position of the coalition partners, nor is it the position of the National Council; we cannot commit the National Council to it—about the fact that the questions could concern whether or not citizens want to live in a Federation or free union or whether they want independence.

So no decision could be made on this question during the first set of negotiations, today's deliberations, or the 14 June talks. It is true that talks on the composition of the Federal Government, the program statement, and the dates....[Knazko changes thought] Well, these are difficult questions and that is why it will be necessary to continue the talks. We have agreed to continue the discussions on 14 June and I assume that we will adopt an agreement precisely on these questions—the structure of the Federal organs, the composition of the Federal Government, proposals, and the prepared program statement for the Federal Government until the referendum.

[Unidentified reporter] Wouldn't be better, in view of the results of the first talks and today's, to start negotiating a split, a dignified split of these two republics, if you cannot agree?

[Klaus] We must follow a certain procedure and, of course, we are afraid that whether we like it or not, all this will gain its own momentum, which could be difficult to manage. We know, of course, that it is impossible to drag out this insecurity and that our public will not accept that in any case. That is why we consider random speculation about when a referendum will be held, when it will be adopted by one side or the other, when it will take place, and so on, as absolutely unacceptable.

Should the situation develop into a referendum—which, of course, must be held primarily in Slovakia—then that referendum would require a change in legislation by the Federal Assembly, which again requires a certain time schedule for a referendum. We are willing to initiate it to shorten the time to the absolute minimum; there really is no time margin. Every day this country is losing the chance for economic revival, the chance for stability, and that is something which no responsible politician can or should have the right to accept.

So we will put pressure on to get this decision as quickly as possible. We, of course, do not renounce the continuation of the federation. On the contrary, that was and continues to be our program, but the decision must be made quickly.

[Knazko, in Slovak] If you would allow me, I would like to return to the results of the elections, which once again reminded us of a real political phenomenon—in the CSFR, there are two political subjects on which some kind of agreement must be reached. In their election programs, I think that my colleagues are saying that they need not [reach an agreement], but they could try, I think. So, if the ODS election program excludes a looser union than a Federation and accepts only a dignified split of the CSFR, it will be necessary to keep in mind that our program calls for a looser union; it does not want a so-called dignified split, but it also does not agree with the present form of federation.

If the choice is federation or split, then in our election program we tried to resolve this choice by referendum. A referendum requires time, according to the law. We have no interest in prolonging the time. On the contrary, it must be done as soon as possible, but in this situation it cannot be done formally. A referendum on such an important process cannot be carried out within one or two weeks even if we do change the legislation. We are obliged to explain to the public in the Slovak and Czech Republics what they are going to decide on in this referendum. That cannot be done sooner than—as we have already said—the end of this year, or in the first quarter of next year at the latest.

[CSTK reporter] CSTK. HZDS Deputy Chairman Jozef Zeleniec announced this afternoon that the main item in today's talks would be whether the HZDS is for a common state or for the division of Czechoslovakia. Mr. Chairman, is the HZDS for a common state or for the division of Czechoslovakia? This direct question is addressed also to Mr. Knazko. A second question: Are you willing to back off from your concepts of the state formation; that is, the HZDS from the so-called defensive economic community and the ODS from the federation?

[Klaus] I think we have answered that quite clearly in our introductory statements. I do not understand the question.

[Knazko, in Slovak] I would just like to say that the defensive and economic community was a working title. I would not use it during the talks as a technical term. We are speaking about a loose union. A loose union can be a confederation or a union of two political subjects, which do exist at present inside the Republic. Our wish is that they also exist outward, abroad. This does not mean that it is not possible to define a sphere of common interests and that it is not possible to form common bodies. But this can no longer be called a federation.

[Kovac, in Slovak] I will just add that our goal is not the disintegration of the state; our goal is a fundamental change in the state setup and the continuation of coexistence with the Czech nation on the basis of what my colleague Knazko said here just a moment ago.

[CSTK reporter] So if I were to interpret this or summarize, the talks are about the common state, but the model which is presented is not a common state. [noise in background]

[Sidlo] Sidlo from CESKY DENIK. I wanted to ask how the two parties explain their hitherto different interpretations of the individual items on the agenda. I am referring to the question [words indistinct] the federation and confederation and the appointment of the Presidium of the Federal Assembly, where the statements from the two sides differed.

[Klaus] That is probably the interpretation of when we objected to what was said by the HZDS press spokesman who had not been present at the Monday meeting. We just had to correct some of his statements.

[Fisova] Fisova with a question for the Slovak representatives. You say that you want to form the Federal Government. Are you not afraid that it will somewhat lose its significance under these concepts?

[Knazko, in Slovak] We want to observe the Constitution in all these processes and it is mandatory, according to the Federal Constitution, to build a Federal Government at this time. Even if we did reach some kind of political agreement, we would still insist that these fundamental matters must be resolved by a referendum and that the Federal Government must be formed to see to the normal functioning of the processes in this country. So we support an early agreement on the

formation of a very much reduced, yet better functioning, Federal Government.

[Klaus] No, please, that is an unacceptable formulation. In a state of anarchy, this lack of certainty, and disquiet, the processes in this country cannot continue in the same way as before, not even for one minute. The illusion that we can somehow artificially preserve something like that is absolutely, absolutely erroneous and unacceptable, and it is not possible to speak about it in this way.

[Kovac] Excuse me, I would like to interrupt here because I feel that we agreed on constituting the Federal Government, that will strive for it until 5 July, and the sooner the better. After that I do not understand the meaning of our agreements.

[Klaus] It is not that there is a need for some government to be formed as soon as possible because this government will have no strength to function; that is one thing. I merely reacted to the fact that what is involved is that everything should function normally. It will not function under any circumstances, and if somebody tries to tell their fellow citizens and voters that it will, then they are doing a very irresponsible thing.

[Myslivcova] Myslivcova. Mr. Klaus, I am asking you why you do not want a free union if the Slovak side is trying to be helpful, so to speak, at our news conference. What are your basic reasons against having a free union, some free confederation or free federation? What are your principle reasons against this?

[Klaus] It is not my impression that the Slovak side would come today to be helpful with a free union. Since the talks on Monday, that was the point of departure that the Slovak partners took. So watch out for that. I have to correct it.

The second question is why we do not agree with it. A free union is not a state formation. We cannot imagine how it will function. We are not familiar with anything like it in the history of mankind. The deliberations on whether we should establish a customs union or anything like that—that is a completely different affair, a debate about something completely different. We are only talking about whether or not to maintain the common state.

Today's discussion was not on how to function with our neighbor, if need be, on the basis of a customs union or some other kind of union or a free trade zone; that is a completely different matter. That is the fundamental point here.

[Unidentified reporter] You are constantly saying that you want to have a referendum. In the meantime, however, you want to take certain steps that would very narrowly delimit the question as to what the referendum can cover. At a time when the HZDS wants to have its own president and international sovereignty, there cannot be discussions on whether or not we want the Federation. That is the question of the referendum.

[Kovac] We have explained that until the referendum—on the basis of which there will be a political declaration on sovereignty and the constitution of the Slovak Republic will be adopted—there should be no change. That means that the Federal Constitution and Federal laws continue to be valid. Only the referendum will decide what we will continue with.

[Knazko] I would like to say, if you will allow me, that a declaration of sovereignty and the adoption of a constitution are not the subjects of a referendum. The topic of a referendum will be the structure of coexistence with the Czech Republic.

[Unidentified reporter] The referendum proposed by the Slovak National Council cannot decide that. It can merely decide on the question of leaving the Federation.

[Kovac] The referendum can also decide that, according to the (?present) law on referendums. The Slovak National Council has the right to ask the president to have a referendum in one republic. We have that in our program and we proceed according to what we have in our program. That is why we cannot talk with our partners today or tomorrow about the disintegration of the state; we cannot talk about what we want the citizens to decide.

[Unidentified reporter] I would not want to make a mistake, but it seems that by law a referendum promulgated by a national council can only concern leaving the Federation.

[Kovac] We have already talked about the questions that we discussed here that we are considering for the referendum.

[Unidentified reporter] Do you think the referendum will be significant several months after the elections, when all the parties had the chance in the preelection campaign to present their views on the state-administrative arrangement?

[Knazko] Yes, because we left this question to be decided by the citizens. In other words, we cannot decide about this question without a referendum at all. We have no mandate to do so. So this question will be left to the citizens to decide. We came up with the concept of a free union of two sovereign republics. We have a mandate for this, but this structure, this form, is unacceptable to our partner, the ODS, so we unfortunately have a deadlock situation on our part in another form than the referendum. The ODS came up with the concept of a functional federation.

[THE NEW YORK TIMES reporter, in English] THE NEW YORK TIMES. This is a question for both sides: Did you make any progress today in narrowing your differences, and did you set any kind of deadline that would prevent these talks from dragging on ad infinitnum?

[Klaus] I have to answer this with what I already said in the introduction: Please translate it to your colleague; I

said at the beginning that we have made no progress and that the other side refuses to accept any deadlines, on which we insist.

[Knazko, in Slovak] I believe that the deadline for the formation of the Federal Government, after the completion of the policy statement and the signing of a political agreement, is the sooner the better. This means it can take place in two weeks. With regard to the referendum—I have spoken about it, too—we cannot speed it up artificially. This means that the deadlines have been set and the issue is whether we will accept them or not.

[Klaus] I think that you have heard the differences in the answers. We insist on the formation of the government by 5 July; Mr. Knazko says the sooner the better. This is the difference in approaches with regard to the deadline, which has been there for the entire two days of these talks.

[Unidentified reporter, in English] One more question from the foreign press: Where is Vladimir Meciar, and when will he finally speak to the press for the HZDS?

[Knazko] We agreed that we would speak today and that Mr. Meciar would speak tomorrow.

[Unidentified reporter, in English] Why, why, why?

[Knazko] Because that is what we decided.

[Klaus] What gives you the right to shout at us like that?

[Knazko] Even if you think the situation is tense, that is no reason to violate the principles of basic human decency. Please translate that.

[Unidentified reporter] I would like to know whether you will visit the president together.

[Klaus] I do not know. As Mr. Meciar is not here, I can hardly visit the president with him.

[Unidentified reporter] A question for Mr. Kovac. I would like to know if it is really your goal to make Slovakia a member of the United Nations and your time frame for that procedure.

[Kovac, in Slovak] Yes, it is part of our program that Slovakia should become a subject of international law and that it conclude a state treaty with the Czech Republic on the union of two sovereign states. Regarding dates, we are saying now that this depends on the referendum. We scheduled the dates for the referendum in such a way that, in our estimation, it can be carried out at the earliest by the end of December and in the first quarter of next year at the latest.

[Reporter] Mr. Kovac, you might have not understood me correctly. The question was whether and in what time frame your program says Slovakia will become a member of the United Nations?

[Knazko] Mr. Kovac did give you an answer. When it will take place does not depend on our wishes in Slovakia. International recognition is a complicated matter, dependent on the others subject to international law, who will recognize it in a certain time frame under certain political conditions.

[Klaus] Let me come back to the first half of the answer. Mr. Kovac keeps linking it to that referendum. We declare that it is not given a priori that the Czech Republic will be waiting for the results of such a referendum.

[Unidentified reporter] A question for Mr. Kovac: In your introduction you said that your Movement wants to ask three questions: Whether parties in Slovakia want to live in a federation or in a loose union. [as heard] Will you start working straight from tomorrow so the referendum can quickly be declared?

[Kovac] Yes, we have said that we will be working quickly so that the referendum can be held as soon as possible. Prior to that we will have to work toward being able to come to an agreement on 14 June, or perhaps next week. So we will be working on both.

Havel, Klaus Discuss Federal Coalition Talks

LD1206051192 Prague Stanice Ceskoslovensko Radio Network in Czech 0100 GMT 12 Jun 92

[Text] Civic Democratic Party [ODS] Chairman Vaclav Klaus met President Vaclav Havel at Prague Castle after midnight to brief him on yesterday's talks in Prague between representatives of the ODS and the Movement for a Democratic Slovakia [HZDS]. Commenting on the fact that HZDS representatives were not at this meeting, Vaclav Havel said: I don't think it can be said that Mr. Meciar has refused my invitation; I haven't received any refusal from him; perhaps he was exhausted by the long talks; my invitation remains open, and I firmly believe that we will meet soon; there are things I must discuss with him. Vaclav Klaus stressed at his meeting with the president that the next round of talks with the HZDS must make further progress on the matter of a potential policy statement of the future Federal Government. Vaclav Klaus said talks today between the chairmen of the political parties which have won seats in the Czech National Council are very significant to the further course of the Federal coalition talks.

Two Sides Agree That Speaker Should Be Slovak

LD1106125692 Prague Stanice Ceskoslovensko Radio Network in Czech 1200 GMT 11 Jun 92

[Text] The chairman of the new parliament should be a citizen of Slovak nationality, member of the Movement for Democratic Slovakia; the first deputy chairman should be a citizen of Czech nationality, member of the Civic Democratic Party-Christian Democratic Party coalition. According to Miroslav Macek, deputy chairman of the Civic Democratic Party, this is the result

of today's talks between the representatives of political subjects who were voted into the Federal Assembly in the elections.

HZDS Proposes Own Deputy as Assembly Head

AU1106123992 Prague CSTK in English 1124 GMT 9 Jun 92

[Text] Bratislava June 9 (CSTK)—Spokesman of the Movement For a Democratic Slovakia (HZDS) Bohuslav Geci said today that in talks held in Brno late last night and early this morning with leaders of the Civic Democratic Party (ODS), the HZDS proposed that the chairman of the Federal Assembly (parliament) be a deputy from the HZDS.

Geci said the parliament's first deputy should be from the ODS and the two other deputy chairmen from the second strongest parties in each of the two republics—in the Czech Republic the Left Bloc (LB - coalition of the Communist Party of Bohemia and Moravia - KSCM and the Czechoslovak Democratic Left - DL), and in Slovakia, the Democratic Left Party (SDL - former communists). The posts of chairman in the Federal Assembly's two chambers should be split between a Czech and a Slovak, Geci added.

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After talks today between leaders of the HZDS, the SDL and the Slovak National Party (SNS), HZDS representative Milan Cic told CSTK that according to a "tacit agreement" between the parties, both the chairman of the Federal Assembly and the Czechoslovak premier should be Slovaks.

Cic added his personal view is that if Czechoslovak President Vaclav Havel would take a more complying attitude towards Slovakia, the HZDS could still support his candidacy for president.

Left Bloc Questions Authorization for Talks

LD1106165692 Prague Stanice Ceskoslovensko Radio Network in Czech 1200 GMT 10 Jun 92

[Text] The Left Bloc, a coalition of the Communist Party of Bohemia and Moravia and the Democratic Left, in connection with the coalition talks between the Civic Democratic Party-Christian Democratic Party and the Movement for a Democratic Slovakia, considers it necessary to stress the fact that those parties only won one-third of the vote in the elections and have not been authorized to adopt solutions that are in any way unconstitutional, a statement of the Left Bloc says, pointing at the exceptional responsibility of (?leading) representatives of the two victorious parties. The Left Bloc wants to assist in a constructive way in the whole process of talks on issues of the state set up, and it offers, as a form of mediation, the use of its good relations with the Party of the Democratic Left and contacts with the Movement for a Democratic Slovakia.

Czech Socialists Propose Forming Shadow Cabinet

AU1106124092 Prague CSTK in English 1323 GMT 9 Jun 92

[Text] Prague—Chairman of the Czechoslovak Social Democratic Party (CSSD) Jiri Horak told journalists the CSSD will propose to the Liberal Social Union (LSU) the two form a shadow Czech Government.

He said not only the Slovak side is responsible for the current tension between the Czech and Slovak Republics, but that it has also been caused by statements by chairman of the Civic Democratic Alliance (ODA) Jan Kalvoda and chairman of the Christian Democratic Party (KDS) Vaclav Benda, that if the political left were to be victorious in the elections in Slovakia it would be best to divide the state.

He said he believes the overwhelming majority of Czechoslovakia's citizens would in a referendum vote in favour of maintaining the common state.

He said that if the HZDS were asked to form a Federal Government, though it would be an unexpected development, "we (the CSSD) would consider entering such a government".

SNS Will Not Support a Federal Presidency

AU1106123492 Prague CSTK in English 1633 GMT 8 Jun 92

[Text] Bratislava June 8 (CSTK)—The chairman of the Slovak National Party (SNS), Jozef Prokes, today said Vaclav Klaus, chairman of the Civic Democratic Party (ODS), is a realistic politician and he may have to accept the SNS if he has no other choice.

"But the question is whether the SNS will want to cooperate with him", Prokes added after talks with Vladimir Meciar, chairman of the Movement For a Democratic Slovakia (HZDS) which won the weekend elections in Slovakia.

Prokes, whose party will be represented in both the federal and Slovak parliaments, said that the SNS and the HZDS agree on the declaration of Slovakia's sovereignty, adoption of a Slovak Constitution and calling a referendum on the arrangement of relations between the Slovak and Czech Republics.

"We wish economic reforms to be implemented so as to allow Slovakia to survive. Reforms cannot be the goal, but a means to improve the situation", Prokes said.

He neither ruled out nor allowed for his party's cooperation with the HZDS if it cooperates with the Democratic Left Party (SDL, former communists).

Prokes said the SNS will support no one's candidacy "for the post of a federal president. The party believes that the sooner the federation comes to an end, the better".

Sacher, Sladek Nominated for Federal Presidency

AU1106075892 Prague LIDOVE NOVINY in Czech 8 Jun 92 p 8

["(r)"-signed report: "Sacher and Sladek"]

[Text] Prague—According to well informed sources, Former Interior Minister and [Federal Assembly] Deputy Richard Sacher is the Movement For a Democratic Slovakia's candidate for the presidency. This alternative candidate should be supported by the Party of the Democratic Left in the Slovak Republic and, allegedly, by "Svoboda's communists" and the Liberal Social Union in the Czech Republic. The Association For the Republic-Republican Party of Czechoslovakia sent a letter to current Federal Assembly Chairman Alexander Dubcek yesterday in which it nominated SPR-RSC Chairman Miroslav Sladek as its candidate for the post of CSFR president.

Periodical Publishes 'Complete List' of Agents

AU0906133792 Prague CSTK in English 1937 GMT 4 Jun 92

[Text] Prague June 4 (CSTK)—The Czech bi-weekly RUDE KRAVO has started publishing what it calls a "complete list of StB (Secret Police) collaborators."

Issue number 13 of the paper carries a list of 162,882 StB agents and collaborators, and says it is no "wildcat" list but authentic data, with which it has not interfered. The paper does not say how it obtained the lists. "This is our affair," it says.

Publication of names of former StB agents is prohibited under Czechoslovakia's October 4, 1991 screening law, which bars former Communist Party officials, People's Militia members, and StB agents and collaborators from high government and economic posts until 1996.

According to RUDE KRAVO editors, not included in the list are 33,000 names of people whose dates of birth were not available, as well as a group of agents filed on pages torn out from the Bratislava StB register.

On 64 pages the paper publishes the first part of the list in alphabetical order up to the letter "K." It also carries guidelines regarding the StB organization in the pre-November 1989 period, which have allegedly not yet been declassified.

Officials Comment on Publication of StB List

AU0906134092 Prague CSTK in English 0941 GMT 6 Jun 92

[Text] Prague June 6 (CSTK)—Besides broad coverage of Czechoslovakia's general elections which opened Friday afternoon, Czech dailies focus on this week's publication by the Czech "necenzurovane noviny [uncensored newspaper] RUDE KRAVO" bi-weekly of the first part of what it calls a "complete list of former secret police (StB) collaborators".

The chairman of the independent commission at the Czechoslovak Interior Ministry (which reviews the cases of public officials found to have records of collaboration with the StB), Jaroslav Basta, in MLADA FRONTA DNES rules out any possibility for the list of names to have leaked from his commission, the Parliamentary Commission of November 17, or the Federal Interior Ministry. He thinks the information may have come from former StB members, or the Federal Security and Information Service (FSIS) since the way of presentation of the data in the bi-weekly corresponds to the data base passed to the FSIS in the summer of 1990. Basta added that if the list's publication continued with the categories including people who were not aware of collaborating with the StB, the authors might be prosecuted for violating the presumption of innocence.

FSIS director Stefan Bacinsky in the same article of MLADA FRONTA DNES rejects all suspicion that the list might have come from his agency's data base, and any leak from the Interior Ministry is ruled out by the ministry's press spokesman, Martin Fendrych.

In LIDOVE NOVINY, Czech Prosecutor General Ludvik Brunner says that by publishing the list the bi-weekly violated Article 19 of the (October 1991) Screening Law but since the legislation does not set any punishment, the paper may only be punished by a penalty of 1,000 korunas ($330) for an offense against order in the state administration.

Work on Gabcikovo Dam Project To Continue

LD1106185692 Prague Stanice Praha Radio Network in Czech 2030 GMT 10 Jun 92

[Text] Federal Prime Minister Marian Calfa said today that the present Czechoslovak Government will not deal with the problems of the Gabcikovo hydroproject any more. He pointed out that Hungarian representatives have already said they intend to discuss this issue only with our new government. He noted at the same time, however, that for the time being the work on Gabcikovo will continue.

Government To Support Commission on Dam Project

LD1106163692 Budapest Kossuth Radio Network in Hungarian 0800 GMT 11 Jun 92

[Text] Czechoslovakia will strive from now on to see that a Czechoslovak-Hungarian-EC experts committee is created in order to examine the issues connected with the construction of the Boes power plant. A Prague Foreign Ministry spokesman made this statement following the abrogation by the Hungarian parliament of the 1977 interstate agreement. Meanwhile in Bratislava, expert consultation has begun about the way the water barrage system influences underground water reserves.

Million Registered in First Privatization Round

AU1006064292 Prague CSTK in English 1558 GMT 5 Jun 92

[Text] Prague June 5 (CSTK)—An estimated one million Czechoslovak citizens have thus far ordered shares in previously state owned firms in the first round of coupon privatization, deputy director of the Coupon Privatization Center Jiri Divis told CSTK. The first round ends June 8.

[Prague LIDOVE NOVINY in Czech on 6 June on page 1 in a similar report adds that according to Divis "2.2 million citizens should take part in the first round," and "preliminary results are to be published after 22 June."]

Ministry Spokesman on Possible CSFR Split

LD1206094692 Prague Stanice Praha Radio Network in Czech 0730 GMT 12 Jun 92

[Text] Hungary has dissociated itself from various speculations in the foreign press regarding Czechoslovakia's future. Tomas Borec reports from Budapest:

[Borec, in Slovak] In an informal discussion with Czechoslovak journalists in Budapest, Hungarian Foreign Ministry spokesman Janos Herman noted that a number of articles have appeared in the international press in connection with the present politicial situation in Czechoslovakia. The articles discuss Czechoslovakia's future and the impact of its possible division on the region and on Hungary in particular. It is as if, in this context, the world has suddenly discovered the Hungarian minority living in Slovakia. Janos Herman said that all speculation in the international press about how Hungary would respond to possible future events can be described as conjecture. Hungarian politicians have made no statement on this issue.

The Foreign Ministry spokesman also conveyed the government's position on the situation in Czechoslovakia. Hungary respects the will of those peoples in Czechoslovakia that are affected by this. Everything else is merely the view of foreign journalists.

I asked about the position Hungary intends to adopt regarding further cooperation among the Visegrad Three, because some Hungarian press comments have already carried headlines speaking of the Visegrad Four. Janos Herman said that so far nothing has happened which might affect their cooperation. Changes, that might come about, will naturally have an impact on the whole situation. However, this would first and foremost depend on the attitude that the divided country adopts on further cooperation, Janos Herman added.

Workers Party Concerned Over South Slav Conflict

LD1106183492 Budapest MTI in English 1339 GMT 11 Jun 92

[Text] Budapest, June 11 (MTI)—The Hungarian Socialist Workers' Party (HSWP) is concerned about the situation which has developed along Hungary's southern border, HSWP President Gyula Thurmer said, at his press conference in Budapest on Thursday.

The Workers' Party disapproves of the fact that the Hungarian Government accepts a greater role in the implementation of sanctions against Serbia and Montenegro than the great powers, and that the Hungarian foreign minister has called for the involvement of NATO troops.

Thurmer said his party also disagrees with the recalling of the Hungarian ambassador from Belgrade, as it believes only the re-establishment of dialogue can promote the settlement of relations between the two countries, and of the Hungarians living in Vojvodina.

Order, Calm 'Prevail' at Serbian Border

LD1106183992 Budapest MTI in English 1359 GMT 11 Jun 92

[Text] Budapest, June 11 (MTI)—Order and calm prevail along the Serbian and Hungarian border section, the police force along the borders is able to reassuringly handle the tasks.

The local governments, the border guard, the customs and excise office and the road directorate provide all necessary assistance, said Police Brigadier-General Andras Turos, public order director of the Hungarian National Police Headquarters, in an interview with MTI's Szeged (southern Hungary) correspondent.

Turos made the remarks after a coordination conference at the Roszke and Tompa border stations on Wednesday.

Two questions were discussed by participants, representatives of the public order directorate, and senior officers of the police headquarters in Bekes and Csongrad counties, and the border guards.

The first was the experiences related to the sanctions passed by the United Nations Security Council, and the probable police and public order problems and the prevention of these, which are expected in view of the higher number of Turkish transit passengers than customary.

The other task facing policemen is the reception of refugees. Turos said he had ordered that the necessary technology be regrouped to the border section in question. Reinforcements in Bekes and Csongrad counties will arrive from the police regiment. The police have also prepared to avert the danger terrorism, a task to be fulfilled by the special police unit.

According to estimates, some 50,000 persons from the South Slav republics have been staying for lengthier periods.

Goncz Leaves For Earth Summit in Rio de Janeiro

LD1106204492 Budapest MTI in English 1655 GMT 11 Jun 92

[Text] Budapest, June 11 (MTI)—Hungarian President Arpad Goncz today left for the UN World Conference on the Environment and Development in Rio de Janeiro.

Goncz is scheduled to address the high-level closing conference to be attended by about a hundred heads of state and government.

Official Notes 'Confusion' in Security Services

AU1206092292 Budapest NEPSZABADSAG in Hungarian 5 Jun pp 1,4

[Interview with Laszlo Kover, chairman of the National Security Committee, by Attila Gy. Fekete; place and date not given: "Who Is Responsible for Public Security?—Some Confusion in the Intelligence Services"]

[Text] According to the chairman of the National Security Committee, the Interior Ministry did not consider the opposition's remarks about the police law because, in the event the law failed to be adopted by the two-thirds majority, the opposition might be held responsible for the deterioration of the public security situation in Hungary. In an interview for NEPSZABADSAG, Laszlo Kover also spoke about other current issues.

[Fekete] Our prime minister nominated our ambassador in Bonn to the position of minister responsible for the intelligence services. Did this decision surprise you?

[Kover] It is difficult to find a man today who has practical experience in this work. It was obvious that the government was seeking a minister from "outside" for this position. I am not sure that the planned appointment of our ambassador in Bonn would contribute to Hungary's diplomatic interests....

[Fekete] The relevant parliamentary committee is still learning "the profession" and the minister is not familiar with intelligence activity. In these circumstances, is there, or could there be, a control on intelligence activity?

[Kover] The relations between the relevant parliamentary committees and the areas they are "in charge" of are generally bad. The extent to which this body can control the various organizations is a matter of customary law and of agreement between the committee and the minister. [Former minister] Andras Galszecsy submitted a written report every four months. As far as I know, both the committee members and the people affected are concerned about the current situation. We badly need a national security law that would control this area too.

[Fekete] One of the secret buildings of the intelligence services was recently broken into and rumor has it that the criminals also started up the computers storing secret data. What do you know about this?

[Kover] Unfortunately, we learned about this from the newspapers, five days after the crime. The leaders of the National Security Office told us that the burglars did not find any information that would endanger current operations.

[Fekete] The Hungarian Police became uncertain at the beginning of the change in the regime. Many people say that this explains the rapid increase in crime in Hungary. Is there a similar uncertainty among the intelligence services in the wake of Danubegate and the III/III bill?

[Kover] One can notice some confusion in the wake of the sudden changes in goals and in the international situation. Both the intelligence and the foreign and domestic "surveillance" activity must find their tasks.

[Fekete] Is this the reason for the confusion? I think we do not have to like any country's spies yet....

[Kover] I think it is mainly in the area of protection of the Constitution that confusion could arise. The politicians have not yet decided how to deal with the openly extreme-right and neo-Nazi organizations and publications. It is not easy to defend the Constitution. People working in this field do not know how their work is interpreted: surveying the extremists or "surveillance" of the opposition.

[Fekete] Once a month the justice minister reports on the use of secret methods. Is the number of cases of telephone tapping and letter control increasing or decreasing?

[Kover] We can see neither a real increase nor a decrease in such methods.

[Fekete] How many permits does the minister sign a month?

[Kover] This should remain the secret of the relevant intelligence services and of the minister in question.

[Fekete] The police law will provide for the use of secret service methods. Would it not be more rational and time-saving to discuss the police and national security bills together?

[Kover] This is what the opposition wanted, but the Interior Ministry did not consider our observations during the coordination talks held there, although both bills require a two-thirds majority, and they cannot be passed without the opposition. If we fail to vote in favor of the bill, the government could make the opposition responsible for the deterioration of our public security situation by saying that it is our fault that we do not have a police law and police working under legal conditions. This is probably the factor behind the failure of the aforementioned coordination talks. Naturally, just like every sort of demagogy, it will come to light one day.

[Fekete] The III/III bill came up again on the agenda recently. Has the committee made any progress in this matter?

[Kover] Not a step. The more we are embroiled in this issue, the clearer it has become that the controversy about the "administration of justice" seems to be insoluble. It is difficult to coordinate the interests connected with the settling of political accounts and Hungary's national security interests. The parliamentary parties should coordinate their views on this issue and work out a new solution, after withdrawing the proposals that have been partially discussed already. Parliamentary deputies should go through a "purity check" by all means....

Kadar Comments on Economic Ties With China

LD1106133592 Budapest MTI in English 0648 GMT 11 Jun 92

[Text] Peking, June 11 (MTI)—Making plans for the future, Hungary has to bear in mind China will become an economic power within a few generations, unless some 'political earthquake' shatters its achievements, Hungarian International Economic Relations Minister Bela Kadar said on Wednesday.

Kadar spoke to MTI after five days of talks here.

Assessing results of the talks, he said no rapid expansion of Chinese-Hungarian economic ties can be expected but both countries should take steps to this end in the long term.

At present, neither China nor Hungary has difficulties in selling their products: Both have opportunities to export to nearby countries. It is, therefore, obvious that companies make less efforts to find faraway, unexplored markets, Kadar said.

He said he found China, especially the southern region close to Hong Kong, to be one of the most dynamically developing regions of the world. Hungary has to establish a presence in this important region, he said.

A rapidly modernizing country, China needs modern technologies, Kadar said. Hungary is ready to share expertise and technologies, to help develop China's vehicle industry and food processing and pharmaceutical industries.

Also, Hungary can become a bridgehead for China's foreign trade in East-Central Europe. Chinese leaders rely on Hungary to play such a role, signalled by China having opened a regional trade representation in Budapest recently, Kadar said.

Further on Economic Ties

LD1106194592 Budapest MTI in English 1417 GMT 11 Jun 92

[Text] Budapest, June 11 (MTI)—Both Hungary and China are interested in boosting bilateral relations which have shown a decline over the past four years.

The two countries strive to create more extensive cooperation, with world market prices and on market economy bases, said Bela Kadar, minister of international economic relations, at a press conference held at Budapest's Ferihegy Airport.

Kadar returned to Budapest from China on Thursday. He held talks with Chinese Minister of Foreign Economic Relations and Trade Li Lanqing.

Creating such novel relations will not be a simple task, the minister said, for while small companies and private entrepreneurs are the partners in Hungary as compared to large state companies in China.

Kadar said food products, medicine and agricultural machine production technologies could have a greater share in future Hungarian exports, as China would mainly like to purchase Hungarian technologies and know-how.

A rapid economic development is forecast particularly for the southern part of China, thus Hungarian companies can concentrate their attention on that region.

Alongside Kadar and senior ministry officials, also present at the current talks in China, were representatives from several Hungarian firms.

As a result of the talks, a populous Chinese delegation is scheduled to visit Hungary this autumn.

Discussing the Chinese debts, Kadar said that representatives of the National Bank of Hungary and the Autotrade firm are holding talks in China at present, to schedule the repayment of 108 million Swiss francs. An agreement is expected to be reached by June 30.

Economic Cabinet States Inflation Decreasing

LD1106195592 Budapest MTI in English 1550 GMT 11 Jun 92

[Text] Budapest, June 11 (MTI)—The Government's economic cabinet on Thursday stated that in early 1992 official price increases, and related financial measures, were effected in a far narrower circle and to a considerably smaller extent than last year.

Inflation decreased, and the consumer price level for this April shows an increase of 23.3 per cent compared to the corresponding period of 1991.

Free-priced products and services today account for 92 per cent of the earlier official price category.

Further Growth in State Budget Deficit

LD1106180792 Budapest MTI in English 1600 GMT 11 Jun 92

[Text] Budapest, June 11 (MTI-ECONEWS)—According to Ministry of Finance figures released today, the end-of-May central budget deficit was HuF [Hungarian forint] 78.7bn, compared to a planned figure of HuF 69.8bn for the whole of 1992. The end-of-April figure was HUF 66.7bn, while at the end of March it stood at HuF 47.4bn.

The ministry figures put January-to-May budget revenues at HuF 295.7bn—8.2 per cent lower than planned—and spending at HuF 374.4bn—2.4 per cent lower.

Net income to the central budget from companies was HuF 36.6bn—HuF 10.4bn more than a month earlier—while revenues from customs and import duties in may grew by HuF 5.3bn to HuF 28.98bn.

A total of HuF 12.6bn in corporation tax—only 14.8 per cent of the planned total for the year—was collected between January and May, while VAT [Value Added Tax] payments totalling HuF 11bn in May brought to HuF 63.2bn total VAT paid in the first five months—2.9 per cent less than targeted.

Personal tax payments for the period were 10 per cent below target at HuF 83.77bn, of which HuF 50.9bn went to the state budget and the remainder was channelled to local governments.

The central budget deficit was partly financed by special ten- year-maturity state equities which the National Bank of Hungary bought to a value of HuF 30bn while the stock of state bonds grew by HuF 5bn and of treasury bills by HuF 85.7bn.

Incomes	May, 1992 (Million HuF)	In PC [percent] of target 1992
Payments by Companies	56,647	26.2
Consumption-Related Taxes	129.184	37.6
Payments by Individuals	56,931	31.7
Payments by Budget-Run organizations	225	11.3
Revenues from Local Budget-Run Organizations	1,719	0.0
Retention from State Funds	333	33.3
Revenues from Internal Financial Contacts	3,465	43.3
Profit Tax and Bank Dividends	7,703	12.2
Other Incomes	1,323	31.9
Revenues Connected With Debt Servicing	21,935	48.3
Extraordinary (privatization) revenues	16,000	80.0
Total Budget Revenues:	295,666	33.5

Expenditures	May, 1991 (million HuF)	In pc of target 1992
Subsidies to Companies	20,034	38.5
Consumer Price Subsidies	7,595	43.4
Accumulative Expenditure	27,181	44.1
Support to Social Security	7,858	40.1
Support to Budget-Run Organizations	137,127	40.3
Support to Local Governments	83,176	38.1
Separate State Funds	21,731	67.3
Expenditures Connected with international Financial Contacts	4,517	26.6
Debt Service, Interest	63,438	36.9
Others	771	24.1
Reserves	0	0.0
Extraordinary Expenditures	200	2.2
State Guarantee	753	12.6
Total Expenditures:	374,382	39.3
Total Budget Revenues	295,666	33.5
Total Expenditures	374,382	39.3
Budget Balance	-78,716	112.8

Statistical Office on 1991 Economic Performance

AU1206125792 Budapest UJ MAGYARORSZAG in Hungarian 5 Jun 92 p 7

[Signed Report by "Doczy": "Central Statistical Office Sums Up 1991 Economic Performance—A Slight Increase in Industrial Production"]

[Text] The Hungarian economy produced a total of 2,300 billion forint GDP in 1991. Considering the inflation, this represents a 10.2 percent decrease. Per capita GDP stood at $2,974, or $200 less than in the previous year. We heard all this at a news conference given by Central Statistical Office Chairman Gyorgy Vukovics on 4 June. The fact that industrial production increased by almost 4 percent in the first quarter of 1992, compared with December 1991 is a favorable development.

Last year's drop in economic performance mainly derives from the 15 percent drop in the production of Hungarian enterprises, while the percentage of small ventures reached almost 10 percent. Almost 8 percent of the income produced derived from enterprises, compared with the 22.5 percent in the previous year. Some 43 percent of the ventures that submitted balance reports ended 1991 with a loss. In the wake of the changes in property structure, the traditional state and enterprise ownership dropped under 50 percent, and the percentage of foreign investments stood at 8.8 percent.

A total of 40,000 partnership ventures and 318,000 individually-owned ventures operated in Hungary in 1991, and their overall income was close to 440,000 forints, or a 13 percent and 20 percent drop in performance respectively. The flow of foreign capital continued to increase dynamically. With the flow of foreign capital worth 122 billion forints, the stock of foreign capital stood at 215 billion forints at the end of 1991, an almost twofold increase. Some 57 percent of this capital is working in industry, and 16 percent in trade. The Central Statistical Office registered 11,000 mixed enterprises in 1991.

The volume of investments decreased by 5.5 percent, but this was a smaller drop, compared with the drop in 1990.

There was an increase in the proportion of income deriving from work; however, per capita net real income from work dropped by almost 10 percent. This drop was only 3.6 percent if we also consider the payment of interests and social benefits. Despite the decrease in income, the amount of savings made by the population increased in 1991, while general consumption dropped considerably, by 9.5 percent.

This was the first time that the Central Statistical Office issued data on bankruptcy. According to this, there were 60,280 corporate ventures in Hungary at the end of April 1992, with bankruptcy procedures initiated against 381 ventures, and elimination procedures initiated against 883 ventures. However, 440 corporate ventures and 41 non-corporate ventures got into this situation in the first three weeks of May 1992. Some 38 percent of the enterprises under bankruptcy proceedings are industrial ventures, and 28 percent are agricultural ventures. The debts of the various ventures exceeded the value of their own property. Bankruptcy proceedings affected 93,000 employees in April 1992. Some nine bankruptcy proceedings were concluded on 21 May 1992, with three of them turning into elimination proceedings.

Gross average wages stood at 21,395 forints in May 1992, or 17,127 forints for manual workers, and 31,452 forints for white-collar employees.

Walesa Answers Questions on Political Situation

LD1106220992 Warsaw Radio Warszawa Network in Polish 1530 GMT 11 Jun 92

[Report on news conference given by President Lech Walesa in Warsaw on 11 June—questions are read live in studio by announcer, Walesa's responses recorded]

[Text] As announced, we are now broadcasting an extensive report from President Lech Walesa's press conference.

[Walesa] Ladies and gentlemen, you are very important, for from what I hear there will be at least five press conferences today. [passage indistinct] I'd like to say that we are again at a crossroads. Once again, important matters, but not the most important, have taken first place. There is general confusion among the public and in social awareness. This is a very serious matter, I'd even say a dangerous one. If we do not pull ourselves together, if we do not put things in order, I—as president—see a black future, and it seems to me that there will be no victors and no vanquished. We will all lose, above all Poland. So today, in my opinion, we have to keep calm and stop quarreling needlessly, pass the Small Constitution, elect a government, and adopt sensible electoral regulations. Everything is important, but this is the most important. I invite discussion on all subjects, but the points I have mentioned are the most important and if we don't pull ourselves together, then really, Poland's interest is threatened.

I profoundly believe that you people who set the social stage, so to speak, can help Poland at this dangerous moment and help the Polish reforms. Now, I am at your disposal for any kind of questions. What I know, as far as I am able, I will answer. I have come here so that you can (?question) me thoroughly, so that you can understand and do everything that serves Poland well. So, there is no fear that anyone will be passed over.

[Announcer] The journalists were very interested whether President Lech Walesa succeeded yesterday in convincing the so-called Solidarity Siec [Network] to support Prime Minister Pawlak.

[Walesa] The first problem: did I convince Siec? Ladies and gentlemen, this whole problem and what has happened in Poland should be examined on at least two levels. The first level is really: it couldn't go on like that; that sort of government couldn't go on, both in the internal and external arena—and I'm convinced that if it hadn't been for small things, for petty quarrels between a few people in the Sejm, more than 99 percent of the parliament would have been in favor of the government's dismissal. Only those small things, those tiny things, made it a bit less and that's the first thing that has to be considered.

The second thing: In this state of affairs, what was the president to do in order to gain control over those unfortunate things that could take place in Poland? To take command, especially over those other organizations, which are the militia and the Army. I would not be capable of taking command if I did not put forward the prime minister. There would be no physical possibility. And irresponsibility, lack of foresight, stupidity altogether, could bring about great sadness in the country. I, considering on my computer, [passage indistinct]. There was nobody else who could, on the first attempt, immediately take command of these matters. He was the only man, in my computer—perhaps it had the wrong data—but the only man who could implement this minimum plan that was indispensably necessary for Poland. I am convinced that once more fate allowed me to take command over our stupidities, over the misunderstandings, over that which could have taken place. And I could only implement it thus.

[Announcer] One of the next questions related to the matter of the revelation by Minister Antoni Macierewicz of the files of employees of the Security Administration and Security Service. The president's view on this subject was asked.

[Walesa] On this subject I have my view. First, everyone knows that the documentation is incomplete, that part was destroyed. These are the facts that we all know. The second thing, in this documentation there are such things as for instance my conversation with my brother and so on, and, which I will show you in a moment, a copy from the Prosecutor's Office, and documents that are not yet clear. And the third thing that I was guided by was the fact that society, Polish society, is very divided. And the fourth thing: I know exactly that I will regain the full documentation. I know exactly, I repeat, that I will regain the full documentation. Let no one believe that anyone succeeded in carrying away documents.

They removed them, but there are other identical documents. In view of this, time is needed—in this state of affairs, being guided by these four points—to do it thoroughly, well, and not like a game, the point of which was to keep that government in office. That was a game: It was a race for the finish line by unprepared people, without ideas on those four points I mentioned, and this (?measure) could have [word indistinct] ended in misfortune. It had to be done. (?I'll look after it myself), but do it in such a way that it stands up, so that it can be based on actual things and not on alleged, incomplete, and suggested things. And so, in this state of things, seeing more dangers and more stupidity than possibilities, I had to act thus. I had to, because to act otherwise would have been tragic. Today, we have many people in the hospital already; we have many people very damaged. And this implementation has to be done; we are doing it, but very wisely, and I hope that you will help here too.

[Announcer] President Walesa, asked why he had appointed Waldemar Pawlak to the post of prime minister, replied:

[Walesa] I told you what purpose (?I wanted to achieve). It was achieved 100 percent. We are in control of matters. We are clearing up many issues. I have a very good opinion of Prime Minister Pawlak. I would very much like him to be pres...[Walesa corrects himself] prime minister, for he is good, young, determined, and from a peasant family—I am from a peasant family too. He is a peasant and maybe he has a higher education more in the urban direction and I'm (?the reverse), but it turned out well. On the other hand, I don't know how the whole matter will end, for there is democracy and I don't want to get too mixed up in it all, because I wouldn't like you to say that the prime minister is on the president's leash—I don't want that. For that reason. I am not really taking part in the whole game. I took part where the president had to get control over [word indistinct] Poland, and I will not take any further part in this game. However, I am at your disposal and I would very much like the present prime minister to be able to form a government and for that government to be above party, for that government to be able to start solving problems, for we have a very great many of them. How it will end, I don't know.

[Announcer] President Lech Walesa was asked whether Poland was in danger of a coup d'etat.

[Walesa] [Passage indistinct] In Poland, a coup d'etat would look a bit different, certainly. I can say, give some examples that show this exactly, but they don't show it at all. For instance, the change of the entire command of the unit that guarded the president, the whole command was changed. What for? Without asking the president. Why was [word indistinct] on alert [word indistinct]. Of course, [word indistinct] for order, for there has to be responsibility for order. And so I repeat: All the signs are there, but they don't at all bear witness to an infamous purpose or a coup—but just as readily, if we turn our thinking towards a coup d'etat, all the signs are of a coup d'etat. But I repeat: It doesn't show it at all. [answer as heard] I am thinking—and I will request the Sejm—of appointing a commission to clear this up. [passage indistinct]

[Announcer] The president was asked if he would be going to Gdansk for the Solidarity Congress in the political situation (?he described).

[Walesa] If I am at the Solidarity Congress, I will submit to discussion, because I very much like discussion. I'm not afraid of anything. I'm not afraid of either (?documents
or discussion, so I will submit with the greatest of pleasure; but whether I will be there or not, I don't know. If everything in the country is well, if I'm able to go as I normally go for the weekend to Gdansk, then I will definitely be at the Solidarity Congress. But I don't know at all, for there is no government. There may be great provocations [words indistinct] and maybe I will have to be here, to help [passage indistinct].

[Announcer] He was also asked if he would repeat the scenario of certain moves, like the war at the top [in Solidarity].

[Walesa] Everything that I did, everything I am blamed for, if I had to repeat it—but in those conditions—I would repeat it exactly as I did it, with very minimal changes. It had to happen that way for us to be able to draw the right conclusions. So, that war was controlled or influenced; and a war that was not made, for example in Czechoslovakia, takes place and there was no Walesa—I simply foresaw it, I simply watched over it, I simply knew about it all and so it all looks like that. But it couldn't have been avoided, as we have the proof from Czechoslovakia and not only there, that this war has to emerge sometime.

[Announcer] The subject of the files of collaborators of the infamous UB [Security Office] and SB [Security Services] returned during President Lech Walesa's press conference like a boomerang. The majority of questions concerned this problem, to the point of boredom, but the president was in exceptional form and answered every question, even the most difficult.

[Walesa] As I told you, all the files will be back in place. Let nobody think he has removed files. He hasn't. The files will come back. We will achieve this, but certain things have to be arranged very cleverly here.

First, there are agents from the Stalinist years, and now we have to say what they did, how they did it, how [words indistinct]. There were, afterwards, people who fought individually, who defended themselves individually, and that is the period from around 1960 to 1980 when Solidarity was set up. And there everybody defended himself in different ways and carried on his fight differently. Afterwards, the most important thing that interests me are the agents, whatever we call them, from the time of Solidarity, from 1980 to the present moment. A division has to be made and the material has to be arranged appropriately, so that the assessment is correct: so that the documents are correct and the assessments correct. We will achieve that. We must achieve that, but not in the irresponsible way it was done recently. That could only bring misfortune, be unjust to people, and put us even more at loggerheads, if we are at loggerheads. So, this process is only just beginning. We have to carry this process through. Nobody will escape this process.

[Announcer] Regarding the accusation that Lech Walesa collaborated with the SB, we heard:

[Walesa] If anybody imputes betrayal to anybody, and particularly me, he would have to locate (?the time he envisages the betrayal) for Lech Walesa. If he envisages the period of individual activity—for there was such, immediately after 1970—[passage indistinct] I had a magnificent struggle with the SB and the Communist authorities, a magnificent one. I have proof of magnificent victories, and I was a victor to the end. But, in my individual struggle, there were lapses too. Without being

called to the blackboard, I write about this in the book *The Path of Hope*. Maybe somebody has read that part. But, ladies and gentlemen, before I became president these matters were known, and I did not emerge from the struggle at that time completely clean; but not as dirty as the material indicates. Of course, I signed four documents, and I write in that text those documents concerned (?other matters). Those documents are not there, here in these archives. The documents exist, but in a different place. They will be retrieved. I am waiting for those documents and I am convinced that I will emerge from those documents as the only, the best, who won with the SB, who dodged them brilliantly, [word indistinct] made mistakes here and there. The second proof I am waiting for, which I am waiting for because I would like to supply you with everything and I hope that they will supply it to me, is my dedication in the book for Edward Gierek. He sent me his book in 1989 or 1990, I think it was—I wasn't yet president—and I sent him my book "The Path of Hope" in return and I dedicated it. In his book he barely indicated that he suspected [word indistinct] or somebody reported to him that Walesa was his man.

I replied to him: Mr. Gierek, the matter was as follows. In 1980, when this great strike started in the shipyard, this famous one that brought us to this spot, there were agents in the hall. One of the agents came to me and said: I want to help you, quite simply [words indistinct] cooperate. And I knew him in some way from my earlier actions. And I said to him, yes sir, we will be working, but you can see what is happening, [words indistinct], you can see what is happening. I can't now. I kept this man [passage indistinct], when in two days time, when I already had 500 enterprises at the shipyard, when his man again came to me I said this: Sir, can you see these doors? Will you leave yourself, or am I to carry you out? This man left himself, but Gierek was informed that we have Walesa. He will be an agent. I wrote this precisely in my book before I became president. I hope that the special services that I activated for them to request Gierek to send me a photocopy here to this hall will give you the material that precisely speaks of the agent-type character of Walesa. Further, there is one more sentence. Many times, marvelously, I lost with the special services, and this time, Mr. Gierek, I lost. I did not suppose that I would be telling you about this after two or three years. I would prove that this [word indistinct] [?exists]. But perhaps one more joke. Ladies and gentlemen, during my presidential tenure the minister of internal affairs in Gdansk was the later Minister Majewski. If I were afraid of these documents I would long ago have withdrawn them from Gdansk. If I was afraid of these documents, and if Minister Majewski was minister here, I would have withdrawn these documents. It would only be a question of the price and the method. Why did I not do this? First, I know that this is not the time for these matters, and second, I know that these documents are not those documents, and I know that I will regain the real documents. And in association with this I was not afraid of anything. I spoke of all of this. And I am not afraid of anything today, because I know too that I have proof of what sort of an agent I was.

[Announcer] There was also a question about whether there is in Poland a law about the protection of respect for the president of the Republic. Is it appropriate to treat former ministers and politicians in such a way?

[Walesa] I, as the president, always wonder where does this come from? Where this comes from I divide into two subjects. The first is that I fight without quarter, not [word indistinct], massively, for what I said in the year 1980. And so, for honesty, for pluralism, for democracy. I have no regard for any buddies, and that groups of buddies have formed—and that is why they fight, because I smash these arrangements for them—because they are outside of logic, outside of intelligence. Second, the second part of this [word indistinct] There are people who feel that they are better; who are jealous in fact. Who wish to say, I am a deputy, I am equal, I am the greater, and so why not me? And so, small people who are, who want to be great. And they want to prove in every way that he is not at all large, that he is not that intelligent, that I am altogether the same as [word indistinct]. And so, for base reasons [word indistinct], small people who do not perceive the great victories.

Ladies and gentlemen, what a great victory was even my last action in Russia. Well, if you did not notice it. The government that hindered me, that made it impossible for me to make any move, that postulated one point—I fixed it here, in this disturbance. I fixed this point for it, and another two, another two additional ones. I did not have any more points to be arranged. If I had more then I would have fixed them too. Leaving, those who heard, I said: Gentlemen, I will bring you more than you assume, I will arrange more than you think. And I implemented precisely this. But who speaks of this? Look at these points. What point was the government to have arranged? This last one, that in fact could have been not arranged. But, it wanted to, it hindered, it made difficult. I proved that I brought it three, and I quickly communicated whether they do not want another two, only let them say which, because I don't know what ones to arrange. So nicely, in peasant fashion, not at all diplomatically, I won everything for Poland that was possible. And these small people think that they could play it thus. Perhaps indeed so—I don't want to be arrogant. I am only laying out proofs, proofs of how the beautiful game went, and how many people who are already deputies think that they would win too. Perhaps so. I have proved it, they have not proved it. That is why they do everything to take away, to minimize, to also be candidates for president. I state to you: I did not want to be president and do not want to be president. I am ready today to say thank you—but amidst the class from which I came, the class that assures Poland peace—and will also assure anyone here today, that today I would be so happy. But I will not give up. I will not let the buddies win on dirty terms. Let them not think so.

[Announcer] Some people feel the recall of the previous government to be a coup d'etat.

[Walesa] I think that this time, after all our lessons, we will put the country in order. Politics will be plied by the president and also a few demagogues. The work will be done by this government, a peasant one. That is why we want to quiet everything down—quite simply do not strike dear people. Do not go out onto the streets, because someone is relying on there being a mess in Poland. And so as not to allow this provocation, because these people, who cannot be torn away from their posts, are doing everything so as to prove that this is a coup d'etat—and after all it was parliament that elected, parliament that recalled—for there to be (?such a) mess, because they want to hang on in the mess. I state to them, the price will be high, but Walesa will win. Let no one doubt that. He will win, Poland will win. I, even if I were to lose for three months, then I will still return here. I will return and I will complete this work. Let no one be so bold, because I have nothing for Walesa. I have Poland and am only struggling for Poland.

[Announcer] If Prime Minister Pawlak were to fail, is President Lech Walesa considering the possibility of becoming prime minister himself?

[Walesa] I leave this bullet till the end. If it did not go well and I did not have a man from Solidarity who could be prime minister, who could get through, I could not, the stage has divided itself so. That is why this number was the only one that was implemented at this stage. That is why there is such a final possibility, that I will take it into my hands. I will take it, but I would not wish to. I would wish that once more common sense would prevail and that Poland would not have its final chance taken away. That is why I will defend myself against this. But if there were a necessity, a higher necessity, I would do this. And I will lead, and I will win. Only I hope that I will not have to do this.

[Announcer] How does the president see the opportunities of the political situation, and the calling of new parliamentary elections?

[Walesa] I look at the divisions in Poland. I look even at times [words indistinct] finally. I know that if it was not possible to do anything, then the only solution would be elections. But I said that I will lie down with a grenade before the doors of parliament.

The hand grenade would prevent anyone from entering. However divided it might be, this parliament seems to be better than any subsequent parliaments. This is why I don't want to leave Poland, given the state of affairs and the state of awareness. I don't want to leave because we can't afford it financially nor afford an election campaign that is terribly difficult. I'll be at the doors with a hand grenade, and I won't allow Parliament to be dissolved. However, if that were to happen, if my hand grenade didn't help...[changes thought] I can't leave Poland without electoral regulations, so I'm putting my money on the [words indistinct]. That is necessary, otherwise I'll not have any elections, and I'll be president for 20 years. I don't want that.

[Announcer] (?The president was) asked whether Prime Minister Olszewski's government had to be dismissed.

[Walesa] I told you what I had to win for Poland. First, I had to stop the madness, the lack of seriousness, the stupidity; I had to dismiss the government. However, to carry out the second part and to prevent any surprises—and it was very close to surprises—I had to gain control over two ministries. I could only gain control if the prime minister could get through. The prime minister was prepared immediately [word indistinct] and would have got through immediately, except that they didn't want to ask them that night. They didn't want to do the second trick for the council didn't see the letter, and I had already handed the letter over. I had to do it to gain control of the situation. I had to [words indistinct]. Think about it: Would anybody have got through on that stage? Nobody was capable of getting through on that stage...[changes thought] Only one person, and I am convinced that my computer [word indistinct] calculated right. It calculated [words indistinct], calculated again beautifully and again and [words indistinct] the great misfortune which I foresaw. What now? Once again, I will do everything for I like Pawlak very much. However, that should make Solidarity and others reflect. It should also be aimed at national accord.

Ladies and gentlemen: Accounts must be settled, but democracy must be honored in Poland. Prime Minister Pawlak was good for that government when he was supporting it and when [words indistinct]. I ask myself: How's that? Now he's good, now he's bad? I don't understand it. He was good when he was supporting; he is bad when he isn't supporting. Therefore, I'll do everything for a strong, wise government to be formed [words indistinct]. I'll do everything toward this. However, I can't do too much here for I don't want people to think that this is the president's bloke. I don't want this. This is unhealthy. I do not want to take irresponsibility [as heard] because I want to continue.

[Announcer] What did the president have in mind when he said that the Internal Affairs Ministry documents are abroad? What does he think about the fact that the church spoke up so late about the matter of the so-called files?

[Walesa] It was reported yesterday that somebody said that the documents are on another state's territory and that there is an accusation that some people are being blackmailed. I [word indistinct] just confirm this. This is the truth. There are complete documents—surprise, surprise—particularly those that were taken away. That is why all this will return. It will take a little time [words indistinct]. I just confirmed that which you heard yesterday, and earlier. It is so; indeed, it is so. There is a complete set of documents, and they are almost (?in hand). As for the question on the church: The church is circumspect and careful and believes that the nation is

wise and that, similarly, as I say that [words indistinct] be done, we must do this, but we must do this wisely. Let us examine when, how, and why. Let us examine the harm that an agent did. If it transpires that he was forced by various matters—because there are such things—but that he did not do anything wrong, that he defended himself, and that nothing transpired from all of this, he cannot be destroyed because it is necessary to see how this came about.

Ladies and gentlemen: My colleagues reminded me of one more detail, a detail after this famous shout: We will help! I also shouted: We will help! You remember? I shouted. I probably [word indistinct] about this. What did agents do then? They said: We [words indistinct] Gierek is from the West; Gierek will put things in order, only we do not know how this success is [words indistinct]. We do not know. We do not know how he deceives you. We now want to know the truth. Tell us how it looks. Will you help us finally put the country in order? Who would not help such a conception? Our help was called on, and then it transpired that with this help, on those subjects that interest us, that from this help there is to be a (?stich-up). By the time that this came out, a man had been dragged in, and thank you very much. [sentence as heard] I do not speak of those today because I have no proof. I only speak of the fact that the authorities and the Security Service destroyed documents earlier. However, they were passed on elsewhere and exist. Of course, on Polish territory there are just a few [word indistinct], but there's loads of them abroad, detailed ones! However, these are details. I do not want to explain myself to the prosecutor. This is [words indistinct]. Let's not get carried away.

[Announcer] Does President Lech Walesa still favor the French model of government? Does he intend to create his own party?

[Walesa] I will defend myself against this, but (?I will not agree) to defend myself if irresponsible people, if it seems to irresponsible people that they are today capable of doing anything because they have a few voivodas or someone. Let them not delude themselves. Perhaps a party can do this. If there is a presidential party, and I bring order to the country...[changes thought] Let no one dare, but I would not want to do this. I promise that I do not want to do this. I believe in democracy. I believe in self-control. I believe that the president ought to be above all this. I believe that he is sometimes only partly necessary, and I have shown that. They said that I am getting weaker, but (?look how strongly I grab at them today). I can supervise all of this without a presidential party.

However, I may be forced. It would be the strongest party for even now I see who would be willing to join this party.

[Announcer] The president assessed his meeting with Siec [Network] very highly.

[Walesa] I have been watching them. They are better, wiser, and have better ideas with every meeting. I said at the meeting yesterday—those who were there (?will forgive me) if I repeat myself—that they have even overtaken the government as far as thinking about Poland and solutions are concerned. They are better than many in [word indistinct]. They are so highly trained. They have taken education so far in that time. I told them that immediately after the government is formed—since they have such a high level of education and since they have ideas—as soon as the government is formed, no more than a week later, I will meet with them. I will invite all the people from the government concerned with this subject, and I will say: Sir, minister, you have been a minister for a few days, or perhaps you were there earlier [words indistinct]; these people have solutions; these people have ideas; why don't you at last take advantage of these people, of their solutions, and as quickly as possible—using them as your support—put into operation that which they have already checked out and (?implemented)?

I am not walking away from anything. I am not backing out of anything. However, my implementation is being complicated because I am constantly being called away to other matters which make it impossible for me to implement the concepts [word indistinct].

[Announcer] What was discussed with Archbishop Jozef Kowalczyk?

[Walesa] I don't have to hide the fact that the pope is grieving over the fact that Poland finds herself in last place as far as reforms are concerned, even in this Central Europe of ours. The pope grieves over what is happening: the change of government, the quarrels, the president, no authority, agents. It is not surprising that the pope is very much worried about all this. There are certain matters...[changes thought] We spoke about sparing the pope; about not telling what we mean to do and how we mean to do it; about bringing about peace and sparing this great treasure of ours, the pope.

Of course, we (?spoke) about everything that is happening in Poland. We exchanged views. However, our conversation primarily tended in the direction of saying that we should not cause any problems for our holy father.

[Announcer] Did the president still want war at the top?

[Walesa] I want peace with pluralism, with democracy. (?That is the system I want to impose). I want peace. At the same time, I am fighting, (?as I say), arguments. When I put forward my three good points—which are truly necessary for Poland—someone is sure to try and put them down, saying: No, president, you are wrong; something must be added to this or else. I do want this kind of fight, this kind of war. However, I do not want a guerrilla war with texts, stupid texts at that, texts that have not been well prepared. I don't want a fight over the fact that I am ugly. I know that I am handsome. I don't want such a fight.

[Announcer] Why does the president not try to clarify the accusations levelled at Foreign Minister Krzysztof Skubiszewski?

[Walesa] I don't want to defend anyone. I want to defend myself with facts. This matter must be carefully thought out. Let us not forget that various people worked in various places and that various things were demanded of them. To qualify them now, one must really sit down quietly over this, sit for a while and give it some deep thought.

I cannot imagine Minister Skubiszewski as an informer. It is beyond me to imagine it, absolutely beyond imagination. On what grounds? There are certain (?gratitudes). Look at what he has proved through his work. This cannot be believed. However, I will say (?differently): There is something in every lie. We now must take a look and see what that something is. I suppose that it is recorded that he worked somewhere and that he may have written some reports. However, am neither I nor a few other people—who just happen to be deputies—in a position to assess this? This huge matter must be addressed. It must be handled. We must take care of it but not on the principle that there is a (?purge) because the agent thought that he was an agent, because he was earning money and extending his existence. Should we level accusations against a man who means so much to Polish foreign policy, who has achieved so much, who has expressed Poland's stand, her achievements, and so on based on this? No, no, ladies and gentlemen. This cannot be. This must not be allowed. I don't believe this. I hope for an explanation, one which would apologize to those who have been wronged, people who did not deserve this, and which will show the vileness, the lack of preparation, the effrontery, and the blackmail (?they contain).

[Announcer] The president laid great emphasis on the fact that he does not mean to defend agents.

[Walesa] If anyone, including me...[changes thought] If I turn out to have betrayed, to have sold out, I will not look you in the face, ladies and genlemen. I will leave my post as quickly as possible, and I will force anyone who has done this to do the same. Let there be no doubt as to that.

However, today, under the circumstances (?which I have listed)—incomplete documentation, documentation which has been [word indistinct] I have given you proof that the documentation has been...[changes thought] Society is already at odds, and this is added to the quarrels.

In this state of affairs, [word indistinct] must be done before things have been tidied up because we already have many people in hospitals, we already have people who have got...[changes thought] Precisely, we have already got such cases. Madam, do you know how many people are involved who are not here, in Warsaw? What files! Do you know how many people in these files are there, in the regions, and by what chance? [Words indistinct] do you know, madam, that if we let this out live, do you know what would happen? Why don't you realize this?

[Announcer] On the question of whether General Pozoga was telling the truth when he said that Jerzy Milewski's office had been under Security Service control, the president reacted very sharply.

[Walesa] Go and ask him, madam. I don't know. I can't know. How can I know whether he was lying or not? How could I possibly know that? I answer for Pozoga? I only know that I must check this out in a civilized, wise, and concrete way and draw the necessary conclusions and not like this, not (?by throwing a card) and by answering a question, whether I know the answer or not. Dear lady, let us have a little dignity.

[Announcer] Why did President Lech Walesa not interrupt when the Security Service and Security Office files were being revealed, knowing that this process was badly prepared?

[Walesa] I have contradictory feelings in this case because I know that there were a lot of (?followers) in this nation. Teeth have been knocked out. I can't be responsible for someone else's teeth. I don't have the moral right to decide. Should the Sejm, you, propaganda, or the nation decide otherwise, then I would be afraid of nothing. I am afraid of no one except God. I would do it. However, I cannot do it in the way that you, sir, are proposing. After all, my teeth were not being broken. I look good. I am the president. I had a good ride. I should now decide for those whose health has been destroyed and those who have been wronged? I cannot do this. I cannot unless I become empowered to do so, unless this is the will of the majority. I don't feel this majority at this time. This is a 50/50, half-and-half situation. [Words indistinct] yes, but there are those who say that I am completely...[changes thought] That I have cleaned up this country, my colleagues as well. In such a state of affairs, can I undertake such a decision? No! However, I will undertake it if the majority...[changes thought] If I get the feeling. I don't feel it yet. The computer says: not yet. If there is such a need, I would not be afraid to undertake any decision for Poland. No blackmail, no price plays any kind of part here. However, today I can't because there is no [word indistinct].

[Announcer] The journalists wished to know what was inside the file which carries the cryptonym Bolek, found in the safe of the head of the State Protection Office.

[Walesa] Boleslaw Bierut. However, very [word indistinct] to Walesa. [Walesa laughs] Ladies and gentlemen: Let us not joke. Lech Walesa's signature is not in that safe. Many people in various places impersonate Lech Walesa; yes, they impersonate. It is not Lech Walesa; it is not Lech Walesa's file, although some want it to be and some think that it is. They are wrong, and I will prove it to them calmly.

[Announcer] What did Jan Olszewski's government wish to achieve by blackmailing with files?

[Walesa] Ladies and gentlemen: Come on. Everybody knew that this government had no chance [word indistinct], had no chance, and everybody knew...[changes thought] That it had been recalled. A well-mannered and cultured [word indistinct] in whose interest lies peace and social peace should not fling the files at that moment and in such a way. That is why it was horrible for me. It was unwise for me. It was a provocation for me. I could not act otherwise, not from a moral point of view. This was immoral. The government had no chance of staying in place. Regardless of whether I had proposed or not proposed, either way it would not have stayed in place.

[Announcer] Why does the president talk so much about it?

[Walesa] Ladies and gentlemen: After all, it wasn't I who proposed the questions and the [word indistinct]. After all, I am answering the questions I am being asked. Why ask me about this? (?You are adding a whole 50 minutes). You are directly asking me about it. Why should it be my fault? I would also like to speak of different matters. However, you, sir, and the other ladies and gentlemen keep returning to this subject. I must prove that I am not a camel. [Words indistinct] it must done because the nation demands that it be done, because there are laws. We must do it. That is why we must start doing it, if only to prove certain things. Perhaps at some point we will reach the conclusion that it is not me, but I cannot propose this because I am the way I am. That is why I don't know. All I know is that wise people should sit down and place before the nation the wisest possible way out. I do not forecast the way that will be chosen nor do I want anyone to think that I want to hinder any of this because I am involved. Such conclusions [words indistinct] to ensure that such conclusions are not drawn, I say let an unbiased commission approach it in a slightly different way, and everything will be resolved. I submit to the sentence of this commission [words indistinct].

Ladies and gentlemen: This is a scandal. Is sending these lists, among which there are [word indistinct], not blackmail? It is blackmail. My reaction was immediate. I will not give in to any blackmail. However, if I were [word indistinct] I would say: Prime minister, I will give you my support; what can I do for you? I am afraid, and I have never been afraid. Even the Bespieka and the communists did not blackmail me in such a way because they knew that the material was no good, atrocious, and (?falsified). Yet, colleagues, colleagues, colleagues have done this! This is the most revolting thing of all.

Ladies and gentlemen: I declare to you here and now that I would prefer to cooperate with many people from the Security Service than with my former colleagues. They have done me more harm than [word indistinct].

[Announcer] This is why the man who became prime minister came from outside Solidarity. Did this mean that the Solidarity era had come to an end? Did the president also want to be prime minister [words indistinct]?

[Walesa] You have not asked me: Do I want to be king? No. How I would like, at last, to busy myself with the things with which you busy yourselves, peacefully, with a little [word indistinct].

Ladies and gentlemen: I gave Poland at least 22 years. I have fought like a lion against mistakes and deviations since 1970. I reached this place, and I never wanted it. Only work [words indistinct]. That is why I wouldn't like to be either prime minister or president or king. I would like to be unrecognizable. I would like to catch up with all the things that you have done [words indistinct]. I would like to make up for lost time. I would like to get rid of my guard, at last. Of course, I wouldn't like them to shoot me. I would like all of this.

Whether I will? Whether this will turn out for me? As a rule, fate always gives me the reverse of that which I want. That is why it probably will not give me this. I will probably have to tire myself with what I tire myself with. However, believe me, sincerely, I have sincerely had enough of this. We, Poles, society sees what it wants to see. [sentence as heard] It sees the plane, it sees the clothes, sees that I look well, but it does not see the entirety, the entirety of this one, entire life and work that must be done. How many friends I have quarelled with; how many unpleasantries I have; how many troubles I have. No one sees this, because they don't want to see this. He sees only that which is good. I do not want this. I want to withdraw from this in classic fashion as soon as possible. Yes, but I will not leave Poland. I have sufferred too much. This land has cost us too much for me to allow decisions to be made about Poland madly or stupidly. That is why I say no. If someone thinks that he will [word indistinct], (?bribe), deceive the nation, then let him not count that Walesa will allow him to do this. I count that you and others will all help me in this. As for Solidarity, I first said let us not sully Solidarity when we have the president, the prime minister, when we have been victorious, because that is how it was organized, for struggle for the possibility of development. Let us put away this banner so as not to sully it. Let us concern ourselves at work with another configuration and under different banners. Who listened to Walesa? It could not happen any other way than the way it did. We have destroyed many names, words, and banners. Look how we are now destroying the word cooperation. Cooperation with you, with society, now associate with informers, the channelling of information and betrayal. [sentence as heard] Cooperation is a partnership that, at the least, benefits and earns. We have destroyed words and expressions. We are destroying the banners. Solidarity will still be reawoken, cleanse itself, and perhaps will even struggle against those-...[changes thought] That which is taking place now, up to and including the president.

[Announcer] Does the president not now fear a political alliance of those persons who so undermined his authority, the most and from the start? [Words indistinct] often forgot about this. After all, this is a completely different party that was with you at the start. This was not a communist party.

[Walesa] Ladies and gentlemen: I must say that it was always important to me for Poland to have the opportunity of development to bring about victory. I looked less to how we are moving toward victory. Let us remember the fact that the opportunity of creating a government was then held by the United Peasants' Party and the Democratic Party. No one held this configuration against me. This allowed for victory in stages.

Ladies and gentlemen: One achieves gains in an evolutionary struggle that might be negated after a while. One can negate the round table, one can negate people, but let us remember what kind of communist Pawlak was. After all, he went on strike as a student; he returned to the land because he loves this land. There was probably not a party there, just one organization [words indistinct]. He wanted to act, he was keen, he wanted renewal, he came to believe in it, and he came with us. What does he have in common with the past and with (?the unpleasantness). I will say more. I had already said so, but you didn't notice: Pawlak has been to Jasna Gora and prayed more [word indistinct] than the president who has [words indistinct] in his lapel. See how complicated these Polish roads are and how quickly one can make a false judgment.

I will do everything in my power to ensure that this government is formed, for I know that it will, that it can be, under Pawlak's leadership, a really good government, a workers' and peasants' government, but [word indistinct] higher. Everything that Pawlak asks for so that he doesn't get the impression [words indistinct] that Pawlak is manipulated by Walesa. Everything, whatever he asks for which will be necessary, I will be at his disposal, for I feel, my large nose tells me, that this will be a good prime minister. We will manage a lot of things because he is concrete, to the point, precise. Haven't you noticed this? He is even better at answers than Walesa. Here I am, afraid. [Walesa laughs] [Words indistinct] I wish him well, as a good teacher.

[Announcer] When will Mieczyslaw Wachowski, the under secretary of state in the president's office, face the press?

[Walesa, laughing] Ladies and gentlemen: This is an unhappy post. This is an unfortunate man. He gets it in the neck for everything that can be ascribed to him. I am certain that if you knew everything about Wachowski—and not just what [words indistinct] tell about him—you would be of a different opinion. I am certain that he will face you; I am certain that many people will be ashamed; I am certain that he will win his case and that his work will prove his complete innocence. However, before this happens, I throw one more thing on the table, one more fight, which is what is least needed. He is there; he watches and waits for all this information; he manipulates [manipuluje] a little, someone said [word indistinct] has to. That is why he takes all the bad things on himself and all that is good he gives to the president, although there is very little of this. That is why...[changes thought] But he will come. He will come in accordance with your wishes. He will face you here. I will bring him, and you will give him...[changes thought] Well, when? After all, there is no government at the moment. No one knows who is governing now. No one knows how. One more (?subject)? Don't you have any more important subjects for now? I will give you Wachowski but not today.

Leaders Make Statements After Meeting Iliescu

AU1006182492 Bucharest ROMPRES in English 1705 GMT 10 Jun 92

[Text] Bucharest, ROMPRES, 10/6/1992—Despite the diversity of opinions on the date of the polls, the representatives of almost all the parties have accepted the schedule proposed by the government, which means that it answers certain requirements as regards the ensurance of normal conditions for correct, democratic elections. As for the separation of the legislative polls from the presidential ones, that is as negative as the postponement of the elections. That would mean an incomplete electoral cycle. We are at the close of a political phasis. We held local elections after the adoption of the constitution, that set the foundations for democratic institutions at a local level. It is the turn now of the central bodies, the parliament and the presidency, and related to them, all the other institutions of the law and executive bodies. It would be easier to have presidential polls before parliamentary ones, but it's not advisable. In our situation, we cannot afford to play with the elections. The country's interests ask us to ensure simultaneous elections and put an end to this electoral phasis, President Ion Iliescu said after he met at Cotroceni Place the representatives of the main political parties of Romania.

Alexandru Barladeanu, president of Romania's Senate:

The resuhs of the interview are very good, excellent. They clear up the sky of the Romanian political life.

Dan Martian, speaker of the Chamber of Deputies: The results seem positive, as such an important action as the setting of the date of the elections must always be based on consensus. I think that has been achieved as far as basic facts are concerned. Points of view differ on other aspects, but I hope that all the political forces represented in parliament will make proof of a mature judgment, to be able to adopt the legal regulations on the organization of elections on September 27.

Prime Minister Theodor Stolojan mentioned that "a delay was foreseeable in the holding of elections, because of the scission of the National Salvation Front and the withdrawal of the National Liberal Party from the Democratic Convention, which have triggered new political issues, groupings, clarifications. All this has taken time. The only solution is the month of September, namely September 27. [as received]

Ion Minzatu, chairman of Republican Party: The interview was positive, as the date of the polls was set, and it was agreed on by the representatives of all the parties present.

It is even more important that the government forwarded a proposal on which there was equally consensus. The prime minister and the executive played a positive role in this political consensus, which is very important for the country.

Radu Campeanu, chairman of National Liberal Party: The interview was too long for the subject in view. Much of the discussion had nothing to do with topic on the agenda. I think such interviews should be briefer. We must ask the legislative bodies to pass the date forwarded by Mr. Stolojan. We can't take a decision only because we agreed with the proposal of the prime minister.

Domokos Geza, chairman of the Democratic Union of Hungarians in Romania, UDMR:

I have always said that nothing can replace dialogue. Solutions can be found to the most delicate matters. The talks were open and had good results. We are glad to say that and we are also glad that UDMR contributed to the final conclusions.

Sergiu Cunescu, chairman of Social-Democratic Party we drew the conclusion at today's meeting that elections could no longer be held in July and we had, therefore, to accept a proposal made by the premier. It is for the first time that we have scheduled target dates for a number of events. We hope that the date will be observed this time.

Ion Ratiu, deputy for the Christian-Democratic National Peasant Party: If the date proposed by the prime minister is respected and adopted by parliament, the interview can be considered to have been positive and beneficial for the country. If polls are going to be put off once again, as it was the case before, today's interview was futile.

Radu Ceontea, senator for the Party of Romania's National Unity: It seems a consensus was met, and we agreed on September 27 (as polling date). But that was too long an interview to set a date. The influence of the somehow fruitless talks in parliament is felt each time here as well.

Iliescu Reviews Achievements as President

AU1206094292 Bucharest TINERETUL LIBER in Romanian 4 Jun 92 pp 1, 2

[Part two of interview with President Ion Iliescu by Aurel Perva; place and date not given: "The Past Two Years Mark a Period of Far-Reaching Change"]

[Text] [Perva] If you decide to run for the Presidency, you will sum up the mandate you have exercised so far. In your view, what are the president's most important achievements and the most important things he has not been able to fulfill in this period?

[Iliescu] This inventory is linked with our political activity over the past two years, bearing in mind, of course, the president's limited prerogatives and duties. I believe that all responsible people have been involved in fundamental work to change the structure of Romanian society. Viewed from this angle, the past two years have undoubtedly represented a period of far-reaching change, particularly in the political area. Thus, the mandate I was given two years ago—both myself and

parliament, a mandate mainly to draft the country's new Constitution—a fundamental law for a state of law and for a democratic regime—has been fulfilled. Our Constitution has been well received by all the specialists and experts we turned to and who were invited to our country or were contacted abroad. A seminar was organized in our country with broad international participation, which discussed issues of present-day constitutional law and the trend that is obvious in this area. Everybody there appreciated this open and democratic way of appealing to all forces, specialists, and experts in the area of constitutional law.

The drafting of the Constitution—even in the case of foreign specialists—went through three stages: First, the drafting of the theses, which were published; then the discussion of the theses in parliament; and, finally, the debate—article by article—of the final version. This means careful work with the active participation of all parliamentary political forces and experts. The drafting of the Constitution was a process of education for Romanian society, a process of education for our specialists who deal with these problems. The Constitution that has been achieved is a document of reference and has been assessed as such by international bodies. Therefore, I believe that this first mandate has been properly fulfilled by the bodies elected by the electorate.

At the same time, a great deal of legal activity has been carried out in all aspects of our social activity, the restructuring of laws and of the legal framework of our society, including laying the foundation for economic reform. One can certainly make critical remarks about the content of many of the laws issued in such a short time; the fact that fissures might appear in some of these laws and have certain repercussions—to which I will come back—is only natural. However, on the whole a lot of work has been done and it was characterized by a sense of fair-play. I believe that this parliamentary activity has recently deteriorated somewhat because of the convulsions in our political life and within certain parties. Otherwise, the work and the efforts in this area can be assessed positively. In conclusion, we are now going through the final stage of a process of reestablishing and reorganizing the legal institutions of the Romanian state.

I believe that as far as the economy is concerned we have also achieved a great deal with a view to promoting and launching economic reform and changing to a market economy, both from a legal and an institutional viewpoint. However, this process is complicated, complex, and will take a long time. And it will certainly be continued by the new parliament, while the executive bodies that will be elected have to devote their whole four-year mandate especially to economic issues and the social consequences of the transition process. The coming period will still be a difficult period. Taking Romania out of this crisis is—in my view—the main objective of the coming period.

Let us return to the past two and half years. This period has certainly been characterized by numerous difficulties in our social activity and—in my view—by natural convulsions. Both former causes, which generated the Romanian revolution at the end of 1989, as well as new ones contributed to the deterioration of the situation you are familiar with. Thus, the crisis that Romanian society experienced combined with the crisis of the transition process linked with the demolition of former structures and mechanisms and the creation of new structures and mechanisms in the national economy. All this was complicated by external factors: the dismantling of the CEMA system, the interruption of important economic relations, and the disappearance of raw material resources and markets for our products—actually objective difficulties faced by the economies of numerous countries in this area. In this context, it is obvious that the tension that characterized all developments over the past two years generated dissatisfaction and not always the most balanced measures. For example, had we had more peace and quiet to be able to pay greater attention to working out a more coherent strategy and gradually introduce the most rational measures for this transition process, maybe we would have avoided a lot of hesitation and malfunctioning. We do not favor hasty changes because it has been proved that sudden changes in political and social life generate serious and irreparable disturbances. We could have worked on the Land Law with greater care. None of the neighboring countries have so resolutely dismantled certain ownership structures. The manner in which we proceeded paved the way for brutal and destructive actions that caused great losses; for many years to come, this will create great difficulties in the process of restructuring agriculture.

At the same time, during this transition period we have to think more coherently—both in industry and in coordinating the economy in general—and we have to seek appropriate forms of transition that will ensure certain links when passing from one stage to the other, from one structure to the next, and from one mechanism to the other; to put it briefly, we have to ensure greater fluency in this transition process. Shock therapy cannot be applied in each and every case. The only country that has applied a truly brutal shock therapy is the former GDR due to the massive support by the former FRG. However, the consequences are serious: One third of the labor force is unemployed. Enterprises are being closed down and a de-industrialization process of the former GDR has begun with multiple economic and social consequences, despite the fact that in 1991 some DM150 billion in nonrepayable aid was transferred from the West to the East. We also run the risk of being pushed to the periphery, of de-industrialization, and of being placed among the poorly developed countries that are dependent on the financial powers.

[Perva] You have spoken out for working out an economic concept, a Romanian development program for our country to which the whole political specter and all specialists should contribute....

[Iliescu] Considering the complexity of this process, I think that a national platform is needed with the help of all forces that are able to contribute to the definition of a national strategy. This is why I appealed to all researchers in the macroeconomic area and to managers and specialists in various sectors. Regardless of their political convictions, these people can attempt to outline a number of possible alternatives in which each party is able to find its own options, its own programmatic objectives, and on which the elected governments can draw when taking political, economic, and administrative action. This is an essential and fundamental action.

[Perva] In your opinion, how long will it take for the Romanian economy to overcome point zero and begin to record a production growth?

[Iliescu] This is a difficult problem that is influenced not only by domestic factors, but also by international, regional, European, and world factors. The world economy is going through a recession with widespread effects; as far as we are concerned, we are located in an area going through a critical stage in general. Thus, domestic efforts will also depend on the progress of the world economy, on the restoration of the world economy, and on the interaction in the restoration of the world economy. As far as we are concerned, it is difficult to achieve even the objective proposed by the Stolojan government for this year, namely to stop the decline—an ambitious objective.

After the first months, which began with promising signs, the government is again facing difficulties. Maybe 1992 will stop this trend; but it could also be that before 1993 we will not be able to halt the decline of industrial production and of material production in general. I think that the whole period of the next parliamentary mandate will be a period of rallying national efforts in order to begin the restoration process and the process of reestablishing the economy on a new foundation, to relaunch and dynamize the economic activity. Following this, it is necessary to work out coherent strategies, supported both legally and institutionally, through interaction with the world market and economy by attracting foreign investments for the modernization and restoration of certain dynamic sectors of the economy; we have to establish priorities regarding branches that are able to speedily bring new values into the economic flow. There are a few sectors that have to be given priority and supported by all means, namely agriculture and the food industry, tourism, public services, and so forth. However, big industry must not be forgotten. Recently, I saw a study on the privatization law. Small-scale privatization gives the impression of a certain dynamism and it has to be supported; however, it is not decisive for the destiny of the economy on the whole. I want to say that the whole transition process has to bear in mind the national economy in its entirety and the dynamization of decisive and potent branches to get the whole economy moving.

[Perva] Do you think that we have right conditions to save the iron and steel and unprofitable industrial giants?

[Iliescu] One cannot make a general assessments in this respect, namely that a given branch has to be sacrificed; this would be an adventure similar to the one of their irrational construction. It is necessary to examine the concrete situation on the whole, as well as the concrete situation of each branch and each unit separately. I believe that in each separate branch there are viable units that can be launched. Other such units can be restructured. This transition from one specialization to another has to take into consideration each unit's potential, including a certain interrelations of enterprises whose horizontal or vertical integration can give an impetus and a new chance to certain enterprises, and it has to take into consideration the linkages that can be created at the foreign level. I am talking of big units and the heavy machinery combines. In our view and from the viewpoint of our economy, they seem oversized and irrational, but maybe from the angle of units in powerful industrial countries and companies with a high economic potential they are attractive and interesting, especially since there are not many such capacities at the European or even the world level.

Roman Does Not Want To Run for President

AU1106201392 Bucharest Radio Romania Network in Romanian 1700 GMT 11 Jun 92

[Text] The weekly meeting of the leadership of the National Salvation Front [FSN] with the press was held this afternoon at the Bucharest headquarters of this political group. Messers. Petre Roman, Radu Berceanu, Caius Dragomir, Victor Bostinaru, and Eugen Dijmarescu attended the meeting.

On this occasion the FSN representatives stated that the condition set for the return of the FSN group to the parliament was that during its next Monday session, the parliament will discuss and endorse the date of the elections. As far as the separation of the parliamentary elections from presidential elections is concerned, it was assessed that this is no longer possible from a technical point of view, if elections are going to take place on 27 September.

On the same occasion, answering a journalist's question, Mr. Petre Roman stated that he is not tempted and does not wish to run for the position of president of Romania, but he has had and probably will still have discussions on this issue within the front.

Finance Minister Replies to Fraud Allegations

AU0906195192 Bucharest ROMPRES in English 1817 GMT 9 Jun 92

[Text] Bucharest, ROMPRES, 9/6/1992—The Romanian minister of transport, Traian Basescu, met the press Tuesday, June 9, to reply to the accusations in the report

of a Senate Commission, referring to 1992 sales of ships of the Romanian fleet. Traian Basescu and Aurel Ionescu, director-general of NAVROM Company, brought with them documents, files, contracts to prove that "the accusations saying that the sea ship sector was subject to embezzlement were false".

Checking made a few months ago found out only a few insignificant irregularities, said Mr. Basescu. He equally mentioned that the Senate report was drawn up on the basis of neither data available at the Ministry of Economy and Finance nor information from experts. Mr. Basescu considers that the "periodical presentation of significant fraud in the sea ship sector" is rather caused by political reasons.

SRI Allegedly Keeps Files on Politicians

AU0906125992 Bucharest ROMANIA LIBERA in Romanian 2 Jun 92 p 1

[Andrei Badin note: "The War of Files Will Continue"]

[Text] In accordance with certain information that we have received from the AR PRESS, the head of the Romanian Intelligence Service [SRI], Virgil Magureanu, will implement a plan until the elections to discredit the independent papers and the opposition parties. According to certain SRI officers, within this institution there is a special department in charge of politicians' surveillance. The aforementioned officers stated that among those people on whom files have been compiled about certain illicit affairs are Ion Iliescu, Petre Roman, and Alexandru Barladeanu. Allegedly, Ion Iliescu's file is the thickest one. Likewise, Petre Roman's file includes numerous affairs in which he has been involved. Those offices stated that a part of the SRI leadership, among them Virgil Magureanu, might use these files if they are removed from the leadership of this institution.

Parliament Hears Report on 1991 Miners' Incursion

AU1206133292 Bucharest ROMPRES in English 1034 GMT 12 Jun 92

[Text] Bucharest ROMPRES 12/6/1992—On June 11 and 12 the joint session of the two chambers of Romania's Parliament heard the report on the research of the violent events of September 23-28, 1991 elaborated by the special inquiry commission set up by Romania's Parliament. The commission was made up of four senators and nine deputies reflecting the political configuration of the parliament's two chambers who was empowered to establish the responsibilities of the instigators and authors guilty of the grave events having taken place in the Jiu Valley, in Bucharest and on their route to Bucharest those days.

According to the conclusions of that report the leaders of the League of Jiu Valley Miners' Free Trade Unions headed by Miron Cosma, Matei Nicolae Drella and Ilie Torsan bear the main responsibility for the starting of the events and violent actions. They mobilized and incited miners against the government, organized and forced their trip to Bucharest, led or accepted by not interfering the course of the violent actions. Thus, the report specifies, they unjustly put the country's blame on the socio-professional category of miners and they will have to be held morally responsible for that. At the same time, responsible for the September 1991 events are also some state institutions, trade union organizations, political formations and natural persons. Highly responsible, the report shows, are also anarchist groups in Bucharest which incited and permanently participated in the violent actions. At the same time the beginning and course of the events caused the reaction of trade union leaders who, taking advantage of the moment, contributed to the escalation of the tensed atmosphere and the government's crisis of authority by exercising irresponsible pressures in the form of communiques, meetings and statements.

Still since their departure from Petrosani, intuiting the violent course of the events, jobless persons with a record infiltrated among the miners who were then joined by Bucharest petty thieves intending to devastate and rob, the report reads.

Underscoring that the course of the events determined the reaction of the decision-makers in various state organisms, the report mentions that a part of them, under the pressure and imperative of the moment, took undecided or inadequate action and proved inability and lack of orientation, undervaluing the consequences of their own decisions.

Analyzing the causes of these violent events the report reaches the conclusion that democracy is still at the beginning in our country, it is not yet a genuine creed of the political formations which are ready to sacrify it in their fight for power. In today's Romania a violation of the democratic principles does not cause the reaction of all political forces, the notion of a state of law is not clearly represented in the public conscience, and the open defiance of the institutions of the state of law is a way of giving satisfaction to social categories. At the same time, certain institutions of the state of law have not succeeded in imposing their authority. They are further confronted—in their reorganization intention and to meet the transition requirements—with inertia of decision-makers having conservative ideas in adapting to the course to democracy.

Miron Cosma and the other trade union leaders, the report goes on, consciously exploited and profited from the weaknesses and hesitations of the power: the president's lack of firmness, the government's inopportune resignation, the parliament's lack of firm involvement from the very beginning and the ambiguous stand of certain political parties. All this made the trade union leaders and miners imagine that they are a force by themselves, above or equal to the institutions of the state of law. At the same time the failure to bring to trial those guilty of violent actions previous to the September 1991

events (January, February and especially June 1990) strengthened their conviction in their redeeming mission, of coercive force and in their power to impose the order they wish attempting on the values of the state of law and on the democratic principles. In this context the report also underscores the government's lack of firmness in the negotiations on economic claims considering at the same time that the deterioration of the social climate—in the context of which the miners' arrival took place—was also contributed by the deficiencies of certain components of the juridical system; the penal investigation bodies, prosecutor's office and courts when confronted with flagrant violations of the law took uncertain and delayed action, manifesting immobilism and coservatorism in their way of thinking, not assuming in fact the responsibilities incumbent on them in a state of law. To all this adds the presentation of the social phenomena and realities which was made in a distorted or even tendentious way by the mass media and especially by the television.

Referring in its opening section to the socioeconomic context in the Jiu Valley prior to these events, the report notes that difficult economic and social problems cropped up and persisted there, just as in all the mining basins of the country, enhancing the discontent not only of the miners but also of the population. As a matter of fact, several litigations, actions of protest and claiming movements had been registered in the Jiu Valley before the September 1991 which heightened the state of tension. It is in this context that the document announcing the miners' general strike on September 23 is mentioned. On this strike, the report assesses that one of the important reasons of its outbreak was the misappropriate or tendentious information of miners about the fact that the labour conflict had already been settled. The fact is upheld that both the Council of the Mining Trade Union League of the Jiu Valley and its leader Miron Cosma disregarded the law deciding to continue the strike and to leave for Bucharest, although all their claims, even the unlawful ones, had been approved, which clearly shows that the goals pursued were altogether different.

It is also shown that the refusal of Petre Roman—the then prime minister—to go to the Jiu Valley on September 23 or 24 at the miners' request was justified in consideration of the fact that he was to attend a very important meeting for the country's interests in Vienna.

The report specifies that although in Petrosani numerous trade union leaders and miners expressed objections as regards the opportuneness of the departure for Bucharest, Miron Cosma did not change his point of view. Moreover, at President Iliescu's repeated demands to talk to defuse the situation he refused adopting an intolerant and defying position vis-a-vis authorities. Next, the report stresses that the Mining Free Trade Union League of the Jiu Valley, failing to understand and to accept the institutional role of the state of law and its attributions, made a socio-professional segment with difficult living conditions seriously violate the law, exposing it to the blame of public opinion, although its first duty would have been to defend its rights and meet its needs by fair and honest means, not by aggression and violence.

Referring to the violence the miners caused in Bucharest the report considers guilty also those Bucharesters who, taking advantage of the confused, tense situation, incited the miners against the order-keeping forces and against the government, urging them to violence, as well as the miners' leaders who systematically refused any civilized dialogue. Adding to them are certain groups of miners with a particularly violent conduct, some of them intoxicated. On the real reasons of the miners' arrival in the capital city the report notes: While upon their arrival in Bucharest the miners' initial goal, as they declared, was to negotiate with the government to solve social and economic problems, subsequently this goal was altogether distorted. The changing of the government, of the president, the dissolution of parliament and the calling of early elections became the major aims, all of them being approached successively.

Drawing conclusions on these events the report notes that the deterioration of an illegal labour conflict into an attempt on the fundamental rights of the state of law led to numerous penal deeds: Offences against people's life, corporal integrity and freedom, offences against national security, destruction of public and private property, outrage on commanding officers of the Army, police, gendarmerie, on central and local power bodies. Thus, the trains with miners were put into motion by seriously violating the laws in force, through aggression, molestation, threats and blackmail, which gravely jeopardized the safety of railway traffic. Damage was caused to installations, buildings, rolling stock, the schedule and safety of passenger and freight trains were affected. The events resulted in four deaths, and a large number of wounded who had to be hospitalized and treated. The largest number of wounded was recorded with the order-keeping bodies, as compared to the number of wounded from among the demonstrators.

At the same time, the report also reads, the September events resulted in serious prejudices brought to the state of law, to its fundamental institutions, to Romania's image abroad. In the new European context, these events have once again isolated Romania for a period of time. Practically speaking all foreign financial links were frozen. Direct and immediate negative effects were registered in bilateral and multilateral relations, the state of normality reached in relations with other states and economic-financial bodies was interrupted, followed by period of abeyance and stagnation. All this multiplied the hardships of the process of reform and transition to a market economy, and lowered the foreign partners' interest in investing capital in and in cooperating with Romania. The material damage caused are put by the commission at 86 million lei, calculated at prices and tariffs in force at the date of the events.

Likewise, the document informs that there are documents attesting to the concerns of groups, of elements with extremist conceptions to organize actions meant to socially

and politically destabilize the country and change state power bodies by force. The scenarios relied and further rely on the massive solidarity of the population, discontented with the deterioration of living conditions which allow for the transformation of mass claiming movements into anarchic, violent actions.

In conclusion, the report stresses that the violent events of September 1991 cannot be considered as "accidents" of the period of transition to democracy in Romania. While the trade union movement is a social requirement, the anarchic events of September 1991 diminish its role and prestige before public opinion in Romania and abroad.

The commission is of the opinion that legislation must be improved, new laws and other normative acts must be endorsed, the existing legal provisions must be amended, the entire legislation and the enforcement procedures must be harmonized with the provisions of the new Constitution in order to prevent the recurrence of events similar to those of September 1991.

To draft this report the parliamentary commission asked preliminary reports from various institutions and organizations, and held 227 hearings, all the persons heard, those benefiting from immunity—parliamentarians and the president of Romania—included, swearing to the commission. Trade union [leader] Miron Cosma was the only one who refused to swear to the commission.

Karadzic Declares Cease-Fire Effective 15 Jun

LD1206104392 Belgrade TANJUG Domestic Service in Serbo-Croatian 1008 GMT 12 Jun 92

[Text] Belgrade, 12 Jun (TANJUG)—In the international press center in Belgrade, Dr. Radovan Karadzic, president of the Presidency of the Serb Republic of Bosnia-Hercegovina, announced today that the Serb side has decided to declare a unliateral cease-fire to come into effect on 15 June.

Karadzic added that he informed UN Secretary General Dr. Butrus Ghali about this decision this morning insisting at the same time on the deployment of at least 800 officers of the world organization to monitor the cease-fire.

The Serb Democratic Party [SDS] leader also insists on the peace conference on Bosnia-Hercegovina being resumed. He asked the UN secretary general to use his personal authority to contribute to efforts to resolve the conflict in this republic.

Karadzic stressed that the Serb side is not making the cease-fire conditional on the sanctions being lifted and added that he has drawn Butrus Ghali's attention to the fact that elements of the Croatian army are not withdrawing from Bosnia-Hercegovina but are continuing to fight.

UN's Mackenzie Remains in Lukavica Garrison

Studies Routes for Convoy

LD1106155292 Belgrade TANJUG Domestic Service in Serbo-Croatian 1436 GMT 11 Jun 92

[Text] Belgrade, 11 Jun (TANJUG)—General Lewis Mackenzie, the commander of the UN Protection Force [UNPROFOR] Headquarters who arrived in Sarajevo last night with a convoy of 30 vehicles and 50 technicians, is still in the Lukavica Garrison with his team and equipment, the UNPROFOR chief spokesman Fred Eckhard told TANJUG today.

In connection with last night's incident in which two vehicles of the peacekeeping forces came under fire, Eckhard said that he has no information yet on who fired at the vehicles. Both sides in the conflict have stated that they do not know who caused the incident.

Gen. Mackenzie, who is in Sarajevo with his colleagues to find ways to lift the blockade on Butmir Airport, still has not had the scheduled meetings with the leaders of the three national communities.

Eckhard confirmed that Gen. Mackenzie is studying routes by which the UNPROFOR convoy can be moved out of Lukavica. In the first move, Gen. Mackenzie would leave Lukavica with his closest aides, and in the second the remaining UNPROFOR personnel and vehicles would leave.

Meets Ganic on Airport Blockade

LD1106214592 Belgrade TANJUG Domestic Service in Serbo-Croatian 2046 GMT 11 Jun 92

[Text] Sarajevo, 11 Jun (TANJUG)—General Lewis Mackenzie, head of the UN peacekeeping forces headquarters in Yugoslavia, held talks this evening in Sarajevo with Ejup Ganic, a member of the now-complete Presidency of Bosnia-Hercegovina, on lifting the blockade of Sarajevo airport, Bosnia-Hercegovina radio reports.

According to the radio report, Mackenzie held preliminary talks with Ganic and said the operation to lift the blockade of Sarajevo airport is about to begin. He refused, however, to specify how much time will be needed for the successful completion of this operation. He said the remainder of the forces envisaged for this exceptionally delicate operation will arrive soon.

Discusses 'Reallocating' Artillery

AU1206104292 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1000 GMT 12 Jun 92

[Text] After his talk with UNPROFOR [UN Protection Force] General Mackenzie concerning the lifting the blockade of Sarajevo Airport last night, Dr. Ejup Ganic, member of the Presidency of Bosnia-Hercegovina, said that they had discussed reallocating the artillery that is around the airport itself and putting it under UNPROFOR control. Ganic said that the French experts and soldiers have arrived in Sarajevo. Their aim is to evaluate the current [words indistinct]. They are currently staying in Lukavica Barracks.

Ganic also said that he was an optimist regarding the settlement of the Sarajevo problem, because the United Nations is behind the entire action.

In his statement, General Mackenzie stated that the operation is very complex, that it requires much work and patience, and he could not say how much time was needed for the job to be done. According to him, the first contingent of French experts should start examining the technical state of the airport sometime tomorrow.

'Deblock' To Begin 11 Jun

LD1206063592 Belgrade TANJUG in English 2345 GMT 11 Jun 92

[Text] Sarajevo, June 11 (TANJUG)—General Lewis Mackenzie, the UNPROFOR [UN Protection Force] chief of staff, said on Thursday [11 June] evening the operation to deblock Sarajevo airport would be starting, Bosnia-Hercegovina radio said on Thursday.

After talks with Moslem Ejup Ganic, a member of the Presidency of Bosnia-Hercegovina, in which there are no legally elected Serbs, Mackenzie, according to Bosnia-Hercegovina radio, declined to specify how much time would be needed for a successful completion of the operation.

According to the same source, which is controlled by the Moslem-Croat authorities, Mackenzie said the remainder of the forces planned for the operation would be coming soon.

A U.N. Security Council resolution dated June 8 has expanded the mandate of the U.N. peacekeeping forces to cover Bosnia-Hercegovina—initially Sarajevo and its airport.

Mackenzie arrived in Sarajevo on Thursday with an UNPROFOR convoy.

Sources in the UNPROFOR Headquarters have said that Mackenzie was scheduled to meet on Thursday evening with representatives of the three national communities in Bosnia-Hercegovina—Moslems, Serbs and Croats.

President of the Presidency of the Serb Republic of Bosnia-Hercegovina Radovan Karadzic in a letter to U.N. Secretary General Butrus Butrus Ghali on Thursday said the Serb side in Bosnia-Hercegovina was "completely and unconditinally ready to hand Sarajevo airport over to the command and control of UNPROFOR."

Serb Official on Opening of Sarajevo Airport

AU1106211092 Belgrade Radio Beograd Network in Serbo-Croatian 2000 GMT 11 Jun 92

[Gorana Mihajlovic report from Sarajevo]

[Excerpts] The evening, as well as the entire day in Sarajevo was mostly calm. There was some sporadic shooting in all parts of the city. Rare detonations from artillery weapons were also heard. [passage omitted]

Velibor Ostojic, minister of information, and Nedeljko Lajic, minister of traffic and communications in the Government of the Serbian Republic of Bosnia-Hercegovina, held a news conference at the International Press Center of the Serbian Republic of Bosnia-Hercegovina today. One of the questions that most interested foreign journalists who also attended the conference concerned the opening of Sarajevo airport. The reply by Minister Nedeljko Lajic was as follows: We are guarding the airport and technical equipment on it with our own lives, but it cannot be put into operation until the artillery of the Green Berets and the regular units of the sovereign Republic of Croatia has been removed from the Igman mountain nearby.

Serb Forces Advancing Toward Derventa

AU1106171092 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 11 Jun 92

[Zivko Savkovic report from Doboj]

[Text] The occupying forces of the Republic of Croatia are now farther away from the Bosna River than they would like to be and than they planned to be. Vladeta Zivkovic, commander of the first Vucjak Brigade of the army of the Serbian Republic of Bosnia-Hercegovina, told us that Serbian fighters have completely occupied the village of Ritesic in the direction of Bozinci and Derventa and that other positions are still firmly held. The units of the army of the Serbian Republic of Bosnia-Hercegovina are still advancing from Doboj toward Derventa. The Muslim village of Kotorsko is still completely encircled and the Serbian army is still being very careful about all offers of surrender because Kotorsko was full of members of the Croatian Defense Force and the regular army of the Republic of Croatia.

There was some shooting in Doboj this morning, but only on the roads leading to the town. According to unofficial information, these shots were fired by Muslims celebrating the Bayram festival.

Bosanska Krajina Under 'Complete' Blockade

LD1106134892 Belgrade TANJUG in English 1314 GMT 11 Jun 92

[Text] Banja Luka, June 11 (TANJUG)—The Serb Autonomous Region of Bosanska Krajina, within the Serb Republic of Bosnia-Hercegovina, is under a complete transport blockade which has left the region without food, drugs, oil, detergents and other basic consumer goods.

Cigarettes became hard to obtain some time ago, and with the exception of the paper BANJA LUCKA GLAS, no other daily can be bought.

On Wednesday [10 June] a lack of oil brought the city transport of Banja Luka to a complete standstill.

Damage to electric power lines left thousands of people in Banja Luka and its suburbs without electricity, PTT [postal, telegraph, and telephone] links and water.

"Although no one announced either an embargo or blockade, we are in fact experiencing both," said Bosanska Krajina Prime Minister Nikola Erceg.

"Croatia has destroyed all bridges on the Una and Sana Rivers, and the fighting continues in Krajina's other border regions," Erceg said.

"I have to admit that we are affected the most by the presence of the Croatian regular army and the Muslim green berets (paramilitary formation) in the region of Bosanska Posavina," he said.

"We are completely cut off from Serbia and Vojvodina, and the hardest hit are the pensioners and refugees which number over 120,000," Erceg said.

"If this was the aim of the European Community, the United States and even our neighbours, then they have caught us totally unprepared as we counted on peace and not on war," the Bosanska Krajina prime minister said.

Bosanska Krajina Economy Minister Kosta Tepavcevic said that Krajina has for days not received humanitarian

or other kinds of aid. The only exception are some drugs and much-needed oxygen for the survival of newborn babies in incubators which arrived by plane three days ago owing to the efforts of the United Nations Protection Force (UNPROFOR).

All air links with Serbia have been severed because sovereign Bosnia-Hercegovina turned over its flight control to Croatia, Tepavcevic said.

"This kind of transport would be expensive and insufficient for us, but it would at least cover our basic needs. As we are not included in the official U.N. Security Council sanctions, we expect help from the United Nations and the international public opinion," he said.

"If this corridor towards Serbia is not opened, we will be left without any oil which will halt all transport and the entire economy, and our crops will remain in the fields. I cannot believe that any reasonable person would want this," Tepavcevic said.

The black market is prospering and prices are rocketing sky-high.

Over 120,000 workers in Bosanska Krajina are receiving guarranteed monthly wages amounting to 15,000 dinars (about 12 dollars).

Muslim Forces Liberate Parts of Mostar

AU1106201092 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1700 GMT 11 Jun 92

[Omer Vatric report from Mostar]

[Text] The people of Mostar received the most joyous news since the beginning of the aggression this morning. Units of the Croatian Defense Council of Mostar, Siroki Breg, and Citluk liberated the notorious Chetnik stronghold of Orlovac and during the day liberated Hum, Varda, Cula, Krusevo, and Jasenica in the southern zone of Mostar and the villages of Miljkovici and Slipcici. On this occasion, a lot of heavy weapons, tanks, multiple rocket launchers, guns, and other equipment were seized.

In this way, the town's defenders lifted the blockade on Mostar to a considerable extent and allowed much easier transportation in the direction of Dalmatia.

In this [word indistinct] action by the fighters of the Croatian Defense Council, whose ranks include both Croats and Muslims, great losses were dealt to the Chetniks and other aggressors, who are withdrawing in panic. The Muslims, who are celebrating Kurdan Bajram, today received the nicest Bajram greeting this morning. The liberation of the aforementioned Chetnik stronghold heralds the final liberation of the whole of Mostar.

RSK Minister Says Croatia Not Removing Arms

LD1106203192 Belgrade TANJUG in English 1824 GMT 11 Jan 92

["Pool" item]

[Text] Erdut, June 11 (TANJUG)—Deputy Interior Minister of the Republic of Serb Krajina (RSK) Milan Milanovic accused Croatia on Thursday of not withdrawing its heavy armaments from the area of Slavonia, Baranja and Western Srem where the U.N. peacekeeping forces are being deployed. Milanovic said in a statement for TANJUG that this was disturbing the population.

The region along the north-eastern administrative borders of the former Yugoslav Republic of Croatia is a part of the RSK.

The RSK was proclaimed by Serbs in parts where they are a majority or make up a significant minority in Croatia, in response to secession and attempts by the local authorities to turn Serbs who are a constituent people to a national minority.

Milanovic assessed that the deployment of the U.N. peace-keeping forces in the RSK was proceeding slower than forces in the RSK was expecting.

He said there were provocations along the entire length of the front. However, Milanovic said it was significant that now "the peace keepers are daily noting and informing the U.N. that the ceasefire violations are being committed by the Croatian side."

Milanovic [word indistinct] that Croatian snipers hit the village of Uodolovci on Thursday morning and on Wednesday the villages of Tenja and Sarvas.

"U.N. Protection Forces (UNPROFOR) officers are hoping that the shooting will stop when the peacekeeping forces take [word indistinct] patrol on the Croatian side too, where there is obviously a lag," Milanovic said.

Fighting Near Derventa; Two Aircraft Downed

LD1106140292 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 11 Jun 92

[Vladimir Fajgl report]

[Excerpt] For three days and two nights, Croatian Defense Council forces have been waging fierce infantry and artillery battles with the Serbian aggressor along the southern front in the Derventa theater. The Serbian aggressors are continuing their fire in spite of their enormous losses in personnel and combat equipment as they try to reach the chetnik stronghold of Podnovlje to link up their forces—via the three-border point of Bukovac, where the municipalities of Doboj, Derventa, and Modrica meet—with the Tuzla, First Krajina, and Banja Luka Corps.

The fiercest battles are being waged along the Johovac-Kotorsko- Foca line. In addition to infantry, the chetniks and the other members of the Serbian paramilitary formations are also using heavy artillery in their attacks on positions held by the forces of the Croatian Defense Council, including 155-mm howitzers, tanks, 120-mm mortars, and multiple rocket-launchers.

In the course of a counterattack launched by the fighters of the 103d Derventa Brigade of the Croatian Defense Council, 30 enemy soldiers have died and 50 have been wounded. One enemy tank has also been destroyed.

Following their huge losses, the terrorists demanded help from their aircraft, which on two occasions this morning fired missiles and bombarded the Defense Forces positions as well as the villages of Johovac and Kotorsko, which are now completely demolished. An antiair defense unit of the Croatian Defense Council's Derventa Brigade was operating effectively again today, downing two aircraft from the army of occupation. [passage omitted]

'Government of Continuity' Activities Viewed

AU0906143092 Split SLOBODNA DALMACIJA in Serbo-Croatian 27 May 92 p 6

[Unattributed report: "Greguric Goes On"]

[Text] Today, Croatia officially announced the opening of the election campaign, with Dr. Franjo Greguric's statement that his government would remain until the elections are held in July, and that this arrangement was backed by the president of the Republic, Dr. Tudjman, who called the election according to the Constitution.

The government of continuity will undergo some minor alterations, but the inner cabinet will remain in its present structure (Greguric, Tomac, Granic, Pavelic), which also has Dr. Tudjman's approval. The government is no longer the government of democratic unity, as agreed by nine parliamentary parties, but neither is it a Croatian Democratic Community uni-party government.

Journalists have rightly noted today that "people will be glad to see the government stay," although it is certain that not all the reasons and moves have been clarified which have turned the government of democratic unity into—the government of continuity. It is still unclear how much this outcome has been influenced by international diplomatic circles. It is also unclear whether the elections are the reason for keeping the government, or vice versa. Furthermore, what the reasons are of the opposition parties to keep their ministers in the government prior to the elections is still unknown.

The change of foreign minister has been announced, since Dr. Separovic is taking up the post of ambassador in the UN, although he will probably also remain minister without a portfolio. The new minister is still unknown, but circles close to the government say that a

likely candidate is Dr. Davorin Rudolf, who once held the position (and once refused it), and another candidate is said to be Hrvoje Sarinic, chief of the president's office.

There is still no firm candidate for the post of minister of justice, which became vacant with the resignation of Bosiljko Misetic (Croatian National Party). The post has apparently been offered to one of the new government ministers, and one of the president's advisers has also been mentioned as possible minister of justice.

One should also anticipate the reactions of the opposition parties. According to democratic procedure, the ministers who entered the government on the grounds of the parties' agreement, should resign from the government if their party so demanded. It is another matter entirely if they stay in the government without representing their party's policies. These days a story has been going around that the socialists were demanding Minister Cifric's resignation, but that he refused to yield to his party's pressure. Furthermore, new denouements are possible in the relations between Vice President Dr. Zdravko Tomac, and his Social Democrat Party.

Still, all this is less important than the good "rating" that Greguric's cabinet has both domestically and internationally, so that will probably be the vital element which will facilitate normal work by the government, without any major upsets, until July.

Split Among Serb Leaders in Croatia Examined

AU1106082192 Belgrade BORBA in Serbo-Croatian 26 May 92 p 13

[Srdjan Radulovic report: "Personal Reasons, in the Name of the People"]

[Text] The Krajina political scene has recently been "enriched" by one statement that further explains the reasons for local divisions and discord. Dr. Dusan Zelenbaba, one of the "leaders" of the national movement, stated at the assembly of the Serbian Democratic Party [SDS], as he called the humble gathering of Dr. Jovan Raskovic's supporters in Knin, that his attitude towards certain moves made by the former authorities was guided by "personal reasons." This confession supports the view that reasons for discord could be found in personal relationships, that is, in the dissatisfaction with the distribution of political "loot"—meaning positions that result in material advantages.

That was the reason for the first conflict in Krajina, when Zelenbaba and Jovan Opacic left the SDS, because Raskovic favored Dr. Milan Babic, who was given several key functions. They returned to the party after the relationship between Raskovic and Babic turned sour. This second political "earthquake" led to the formation of the SDS for Krajina in March last year, which was completely influenced by Babic, while Raskovic's supporters, after a few failed announcements of a counteroffensive, almost disappeared from the political scene. In the meantime, the SDS for Krajina developed into a separate party, the initial party emblem was replaced, and the functioning was activated of committees in all municipalities of the former Serbian Autonomous Region of Krajina, and in Beli Manastir.

Political "Transfers" [subhead]

Personal reasons, supported by such arguments as function, status, and salary, were the main causes for some of the more spectacular political "transfers" in Krajina. At the famous long session of the SFRY Presidency, Mile Paspalj turned his back on Babic, retaining the function of president of the Republic of Serbian Krajina [RSK]. He was said to have been rewarded for that with an apartment in Belgrade. Ljubica Solaja, former president of the SDS for Krajina, suddenly turned against Babic, although she had, up till then, been his most faithful supporter. Babic later said that the price of her change of mind was an exchange of her apartment in Zagreb for one in Belgrade, and a top position in Plitvice national park for her husband.

Until the split, Goran Hadzic (like Paspalj) stood for ideas very similar to those of Milan Babic. His change of mind was rewarded with the function of president of the RSK. However, that led to another division in the eastern part of Krajina, into supporters of Hadzic, and those who supported Rade Leskovac, who had, in the meantime, become the leader of the Serbian Radical Party for Krajina.

The war president of Glina municipality, and minister in the RSK government, Dr. Dusan Jovic played a leading role in the dismissal of Velibor Matijasevic, the first president of the Krajina assembly, who was not to Babic's liking. That position was given to Paspalj through a highly suspect procedure. When Babic began to lose his authority, Jovic joined the other side, for which he was duly rewarded.

These conflicts among people who used to be in the same "team," under the auspices of a unitary SDS, were soon joined by (and given functions) members of the former Socialist Party of Croatia, led by Borislav Mikelic, which had, in the meantime, changed its name to the Serbian Socialist Party of Krajina. Their rise in the RSK assembly began in Borovo Selo, and their political correctness was proclaimed in their unreserved support for the letter Slobodan Milosevic sent to Babic, during the period when Babic was under much pressure unconditionally to accept Vance's plan. It is interesting to note that this party has never held a public meeting or assembly, and only communicates by public statements.

What are the chances of reconciliation and all-Serbian unity in Krajina, which has been the subject of talk recently? Milan Babic's presence at a RSK assembly was immediately seen as a sign of reconciliation, but he denied it.

Signs of Reconciliation [subhead]

"It is not a question of any personal disputes," Babic stated, trying to raise the conflict to the level of principled presentation of political views. However, if that were the case, why do the accusations continue, if the present authorities support his views on Vance's plan and the political status of Krajina. Babic claimed that it was only an illusion, and that behind it is an intention, on Belgrade's instructions, to force Krajina into Croatia. Babic reacted with surprising ferocity to the agreement between the RSK authorities and the EC monitoring mission to station part of that mission in Knin, saying that it was blatant cooperation with the enemy.

The RSK assembly also indicated that there was no reconciliation with Babic and his supporters. Dr. Jovan Raskovic, president of the SDS, accused the leadership of the SDS for Krajina of being a "putschist group," and clearly stated his support for the newly established authorities. When those two statements are brought together, then one can read some personal reasons involved between the lines. It is hard to believe that Dr. Raskovic is not aware of the fact that authorities that change their views diametrically do not deserve praise (as he has given them), and that an assembly structure on the delegate-appointed principle is not a realistic representation of the will and interests of the citizens. Was Dusan Zelenbaba again guided by personal reasons when he said that the present authorities were conducting Serbian policies, and that elections should be postponed until there is a plebiscite, with the explanation that somebody else could gain power in the elections? Apart from expressing doubts in the national and political inclinations of the citizens, this also indicates the insecurity with the political "rating" of his own party, which was supposed to be, as stated at the assembly, the unitary Serbian party on the territory of former Yugoslavia.

These conflicts could not be solved in the elections. In principle, opposing views and political programs are natural for a democratic political system, but it is not natural when they are largely the result of "personal reasons." The elections would have a different function. They would finally give the RSK assembly the appearance of a Krajina parliament, and the RSK organs the legitimacy nobody could then deny.

Serb Television Launched to Parts of Croatia

LD1106133992 Belgrade TANJUG Domestic Service in Serbo-Croatian 1027 GMT 10 Jun 92

[Text] Beli Manastir, 10 Jun (TANJUG)—The Serb television of Slavonia, Baranja, and Western Srem [Serb-held areas of eastern Croatia] will be launched at 2000 this evening from a studio in Beli Manastir via the Belje transmitter on channel eight.

Speaking to TANJUG today, Mirko Mrdja, the Serb television editor in chief, said that the Beli Manastir studio plans daily production of two hours of its own programming. It also plans to rebroadcast Belgrade-based Serbian television programs the rest of the time.

The transmitter, located about 11 kilometers from Beli Manastir, covers a wide area extending from Budapest to Brcko [in northeast Bosnia-Hercegovina] and from Bjelovar [northeast of Zagreb in Croatia] to the Romanian border. It has a footprint with a 300 kilometer radius. The television transmitter is 216 meters high.

The first program from an improvised studio in Beli Manastir was broadcast as early as 6 October last year. A month and a half ago Serb television closed down to allow new equipment to be installed and because of a move to new premises in Beli Manastir.

International

Republic Will Attempt to Pay Foreign Debt

LD1106140192 Belgrade TANJUG in English 1027 GMT 11 Jun 92

[Text] Belgrade, June 11 (TANJUG)—The Federal Republic of Yugoslavia (FRY) will make every effort to meet the maturities on its foreign debt falling due in 1992, Director at the National Bank of Yugoslavia Gavrilo Dedovic told TANJUG on Thursday.

A special effort will be made to repay the debts to the International Monetary Fund (IMF) and the World Bank, Dedovic said.

The two major international financial institutions are understanding of Yugoslavia's financial plight and willing to help, said Dedovic.

Yugoslavia's maturities to the IMF and the World Bank falling due in 1992 total 531 million dollars.

The former Yugoslavia's overall foreign debt stands at 15 billion dollars—6.2 billion dollars of which are to be repaid by Serbia and Montenegro, the two republics which proclaimed the FRY on April 27.

KOS Chief Says Presidency Informed on Bosnia

LD1106145792 Belgrade TANJUG Domestic Service in Serbo-Croatian 1332 GMT 11 Jun 92

[Text] Belgrade, 11 Jun (TANJUG)—The counterintelligence service [Kontra Obavjestajna Sluzba—KOS] informed the country's leadership on time that the Muslim population of Bosnia-Hercegovina, Kosovo-Metohija, and Sandzak was preparing for war, former head of KOS Major General Aleksandar Vasiljevic claims in an exclusive interview for NIN which has been published in the new issue of this Belgrade weekly.

The Presidency remained silent and Vice President Branko Kostic said publicly that the Army would never leave Bosnia-Hercegovina. The secret and detailed report we sent to the Presidency on the creation and organization of Muslim paramilitary forces had an empty page at the end so that the members of the Presidency could write down their remarks. They did not even do that. They simply did not know what they wanted, General Vasiljevic said.

Through one of its men, the KOS managed to obtain a staff map with details of positions of armed forces in various parts of Bosnia-Hercegovina, the former head of KOS said. KOS also possessed a secret order of Bosnia-Hercegovina territorial defense for the start of "a forcible conquest of sovereignty," Vasiljevic said, stressing: "We obtained this secret document on time and presented it to the Presidency of Yugoslavia."

The claim that KOS did not inform the Presidency on time is not true. Allegedly they lacked information, so "they were unable to make timely decisions." This is not true and I can document it, General Vasiljevic said in a rather long testimony (four pages) in NIN, announcing that the second part of the story focuses on the topic "Did the Army leadership prepare a coup d'etat."

Foreign Trade Declines 26.1 Percent From 1991

LD1006150892 Belgrade TANJUG in English 1114 GMT 10 Jun 92

[Text] Belgrade, June 10 (TANJUG)—The Federal Republic of Yugoslavia in the first five months of this year exported goods worth a total of 1.55 billion dollars—26.1 per cent less than in the same period last year, the Yugoslav Government's information secretariat said on Wednesday.

Imports in the same period were worth 2.4 billion dollars—8.6 per cent less than last year.

Exports to the industralized countries dropped by 36.9 per cent, and imports from those countries fell by 14.2 per cent. Exports to other countries fell by 4.8 per cent.

Yugoslavia's biggest trade partners in the said period were Germany, the Community [as received] of Independent States (CIS) and Italy. Imports from Germany were worth 419 million dollars, 348 million dollars from the CIS, and 233 million dollars from Italy.

The Yugoslav statistics office has said that the export-import ratio was 80 per cent in the first five months of 1991, and 64.8 per cent in the same period in 1992.

Tutwiler Cited on Yugoslavia's Successors

LD1106081192 Belgrade TANJUG in English 0215 GMT 11 Jun 92

[Text] Washington, June 10 (TANJUG)—The U.S. today denied press reports claiming that Washington had asked from the U.N. to pass a resolution on not recognizing Serbia and Montenegro as Yugoslavia's successors. The U.S. did not raise such an initiative, said Margaret Tutwiler, the State Department press spokeswoman.

She reminded of the U.S. not having recognized an automatic succession, but insists on having the Federation of the Federal Republic of Yugoslavia's two constituent republics submit their requests to be admitted into the U.N., like any other new state doing so.

Asked about the stand taken by the President George Bush on the right of a new federal state to inherit its preceding old federation, Tutwiler replied in the negative.

While explaining reasons for which the U.S. did not grant recognition to the new Yugoslavia as the successor of the old Yugoslavia, she reiterated the accusation of Serbia as being the most of all to blame for goings-on in Bosnia-Hercegovina. By reason of Serbia's leadership

behaviour like that, to be continued is Serbia's economic, political and diplomatic isolation, she also emphasized.

Federal

Seselj Backs Kostic for Federal President

AU1106133892 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 11 Jun 92

[Interview with Vojislav Seselj, leader of the Serbian Radical Party, by Belgrade Radio journalist Momcilo Boskovic; place and date not given—recorded]

[Text] [Boskovic] Mr. Seselj, your party has a proposal or initiative that it wants to make here in the Federal Assembly?

[Seselj] The Serbian Radical Party has launched an initiative for Dr. Branko Kostic to be nominated a candidate for the president of the Federal Republic of Yugoslavia. This initiative was signed by all members of the deputy group of the Serbian Radical Party, 33 of them. The collection of signatures from other deputies in the Chamber of Citizens, and probably in the Chamber of Republics, is continuing.

[Boskovic] When will you announce it?

[Seselj] We have been in contact with Dr. Branko Kostic. He has not decided on the nomination yet. He will not sign to accept standing as a candidate until he hears the view of his deputy group. He does not want to do anything against the will of his deputy group. This is what he told us.

[Boskovic] When can this be expected?

[Seselj] We expect to be informed about it in the course of the day, and definitely by tonight at the latest.

Assembly Sessions To Be Broadcast Live

LD1106150692 Belgrade TANJUG Domestic Service in Serbo-Croatian 0949 GMT 11 Jun 92

[Text] Belgrade, 11 Jun (TANJUG)—Future sessions of the Yugoslav Assembly Chamber of Citizens should be broadcast live on television, deputies of this chamber decided today. They also adopted Deputy Vojislav Seselj's amendment to the temporary book of procedures.

It was only Milovan Vitezovic who opposed this decision, as he maintained that "it is technically impossible to have live television coverage." He was outvoted since the deputies were of the view "that citizens are entitled to have insight into the work of their representatives, particularly under conditions of pressures and blockades."

Assembly Facing 'Most Difficult' Tasks

AU1106081992 Belgrade POLITIKA in Serbo-Croatian 29 May 92 p 9

[Biljana Cpajak report: "Most Difficult Tasks Facing Federal Government"]

[Text] Despite differing, sometimes even opposing, views in the politically-aware public on the extent to which the coming elections will contribute to the solution of the grave difficulties we are all facing and bring us closer to international recognition and democracy, the fact is that there is no resistance to the necessity to constitute organs of authority of the joint state of Serbia and Montenegro. The result will come from whatever takes place on 31 May. That will formally and legally finalize the constituting of the state of Yugoslavia, which was proclaimed on 27 April.

There is no doubt now that its birth will be marked by an extremely unfavorable international feeling, as a drastic trade embargo is being announced against two Yugoslav republics, to be implemented at the beginning of June.

Much Work Before Elections

In view of that, one should wonder about the urgency (often not understood by the public) of the leaderships of Serbia and Montenegro, which has accompanied the reconstruction of the federation from the start. However, one has to admit that the sanctions will be more easily endured (if one can talk in those terms) in an established state with a set structure, rather than a state without any structure.

As things stand now, the final results of the elections will not be known before 2 June. Unless there are some irregularities in certain election units and therefore a need for a repeated vote, then in two weeks at the latest, representatives in the Federal Assembly will sit in session until the planned work, the rhythm of which will be expressed in seven-day deadlines, is completed.

First, within that period Dr. Slobodan Gligorijevic, president of the SFRY Assembly, has to call the first session of the new parliament, which in the future will not have one president, but two—a president of the Citizens's Council and a president of the Republican Council—because of the intended two-house character of the Federal Assembly. Then, under the patronage of the eldest among the people's representatives, again within seven days, the president of the republic is to be elected. The president then has seven days to nominate a prime minister of the federal government, which will have considerable significance in the Federal Republic of Yugoslavia.

Aware of all this, the citizens of the Serbian-Montenegrin state, burdened by an unbearable inflation, are not interested so much in the name of the person who is to take such responsibility for an urgently needed stabilization of the economy, but more in the kind of measures that will be introduced in the government's economic

and political program. The promotion of such a program in front of the federal representatives will be made all the more difficult by the fact that it is no longer just a matter of anti-inflation demands, but also dilemmas as to how to cope with the inconsiderate sanctions which will be imposed on us by Europe, maybe even the world, if the UN heeds Europe's call.

Experts Preparing Laws

As it is almost impossible to carry this out properly overnight, the statement issued by Ljubomir Bulatovic, former secretary of the parliament, was rather interesting. He said that expert drafts had been in preparation for some time for various federal acts, so that the organs of the new state will be able to function with fewer difficulties than they would if they were to start from the very beginning. Bulatovic said that first versions of the representatives of assemblies' councils were being written [as published], the so-called documents of a status nature, and draft bills for the institutions of the Federal Republic of Yugoslavia, together with draft bills for property relations. Republican experts, according to Bulatovic, are preparing an extremely important law on enterprise.

If one keeps in mind that apart from all that the first session of the Federal Assembly has to pass the budget for this year, elect the governor of the National Bank of Yugoslavia and the judges for the federal constitutional court, perhaps even adopt a law on citizenship of the Federal Republic of Yugoslavia, then there is only one conclusion—the new people's representatives will not only be faced with a difficult task, but they will clearly be unable to complete it expeditiously. According to the constitutional law on the implementation of the constitution of the Federal Republic of Yugoslavia, the first session of the Federal Assembly cannot end until all that is done.

One relief will certainly be the newly introduced electronic system of voting in the halls of the assembly, which, as far as technology is concerned, places the Yugoslav parliament among the 16 most modern in the world. Pressing a button on the computers placed in front of all representatives' seats will enable an automatic establishment of the quorum, registering for discussion, and public and secret voting.

In this most modern of parliamentary lives, the representatives will not have to face the iconography of the old Yugoslavia. During the past few days, old federal and republican coats of arms have been removed from the assembly building, along with all the busts of the previous presidents of the post-war assembly: Dr. Ivan Ribar, Edvard Kardelj, Milentije Popovic, and Mose Pijade.

They say that the building is back to its old original appearance. Those who enter it will, by all accounts, need all the originality they can muster, particularly in view of the circumstances surrounding their appearance on the scene. This time—unlike the SFRY—not to create a state, but to resist attacks that follow its institution.

Serbia

Government Seeks Help on Albanian Dialogue

LD1206061692 Belgrade TANJUG in English 2330 GMT 11 Jun 92

[Text] Belgrade, June 11 (TANJUG)—The Government of the Yugoslav Republic of Serbia on Thursday appealed for the support of the international community in establishing an objectively acceptable dialogue with ethnic Albanians in the Serbian Province of Kosovo-Metohija.

The ethnic Albanians' opposition parties in Kosovo have turned down an invitation for dialogue extended on Tuesday by the Serbian Government. A similar invitation in May was also rejected.

Serbia's Government has said that it will continue advocating constructive dialogue with representatives of ethnic Albanians in Kosovo-Metohija. The government has expressed readiness to offer the Albanian minority all that is specified in international documents in such cases.

The ethnic Albanians opposition parties' leaders said they were turning down the offer because the talks would not be held "on the basis of equality between the institutions of two states."

"The position that the talks should be held on the basis of eqality between the institutions of two states represents a gross violation of the sovereignty and integrity of a country of which Kosovo-Metohija is an integral and inalienable part," the Serbian Government has said.

The government proposed that the starting point for the talks should be international legal and political documents relating to the rights of national minorities.

Ethnic Albanians make up a majority in Kosovo-Metohija, but only 15 per cent of the population of Serbia.

Ethnic Albanian leaders in Kosovo have in the past few years refused to take part in Serbia's political life, advocating the creation of a Republic of Kosovo and its subsequent merger with neighbouring Albania.

At the illegal elections held in Kosovo recently ethnic Albanians elected a president and deputies for a "parliament of the Republic of Kosovo."

Since 1981, ethnic Albanian separatists in Kosovo have been openly advocating its secession from Yugoslavia, claiming that their national and human rights were endangered.

Ethnic Albanians in Kosovo have their own press, radio and television, as well as full education, in the Albanian

language. Ethnic Albanians have held the highest posts in the state leaderships of Serbia and the former Yugoslavia, including the posts of president and vice president of the Yugoslav state Presidency.

Radicals Say Milosevic Must Not Resign

AU1106170192 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 11 Jun 92

[Text] At a regular news conference, Vojislav Seselj, president of the Serbian Radical Party, condemned treacherous opposition parties and individuals. The CSCE is an extension of the policies of the United States and a Germany-led EC is also with them. This was stressed among other things by Vojislav Seselj. Vladimir Nikolic has a report:

[Begin recording] [Nikolic] The Serbian Radical Party condemns the Democratic Movement of Serbia, the Serbian Renewal Movement, and all others who are trying to provoke chaos and unrest for the benefit of the EC and the United States of America. We are calling on the regime to take measures in order to reduce social tension, Seselj said. In this connection, he added that now, while the pressures and sanctions are in effect, no one should be made redundant and wages should be fixed at 100,000 to 200,000 dinars to facilitate a fair distribution.

Seselj also called the Serbian people to harmony and unity because, as he put it, the West wants to reduce us to the Belgrade pashalic, which is also proved by the open attacks regarding Kosovo, Vojvodina, and the Sandzak. Slobodan Milosevic must not submit his resignation under any kind of pressure, Seselj said and added:

[Seselj] We would consider his resignation a treacherous act. He must hold out while the foreign blockade and foreign pressures last. Once these pressures pass, then he can do whatever he wants.

[Nikolic] In this sense, the Serbian Radical Party will not allow anyone to come to power with force and without elections, Vojislav Seselj stressed among other things. [end recording]

Draskovic Appeals to Izetbegovic on Croatian Ties

LD1106213892 Belgrade TANJUG Domestic Service in Serbo-Croatian 1407 GMT 11 Jun 92

[Text] Belgrade, 11 June (TANJUG)—"Your decision to surrender air traffic control over Bosnia-Hercegovina to the Republic of Croatia I understand as one of the practical steps leading to a firmer confederation between Zagreb and Sarajevo, the creation of which you have recently heralded," it is stated at the beginning of a letter addressed by Serbian Renaissance Movement [SPO] President Vuk Draskovic to President of the Bosnia-Hercegovina Presidency Alija Izetbegovic.

"In these days when Bosnia-Hercegovina is in flames, such a move ominously pours fuel on the fire and undermines all the efforts, means, and hopes to put an end to the insanity of war," the letter resumes.

Mr. Draskovic has also sent this letter to all the media, asking for its publication as a whole.

Heeding this request, TANJUG publishes the letter in its entirety:

"I want to remind you of our January meeting and long talk in Sarajevo. At that time I suggested that the most promising solution for Bosnia-Hercegovina would be if it signed a confederal treaty with Serbia, Montenegro, and Macedonia and a similar treaty, albeit looser, with Croatia and Slovenia since these countries probably would not have accepted a confederation. You said that this idea was very close to your views, although Bosnia-Hercegovina had to maintain the same degree and quality of relations primarily with Serbia and Croatia.

"You said that Bosnia-Hercegovina ought not to lean like the Tower of Pisa, to put it graphically. If it leans either towards Belgrade or Zagreb it will collapse.

"By announcing a firm confederation only with Croatia—by an already signed military alliance and the yielding of Bosnia-Hercegovina airspace to Zagreb air-control—you have contradicted yourself and pushed the war engulfed tower of your state dangerously to one side.

"That leaning Bosnian tower has to be straightened or it will really fall. I am just reminding you of your words.

"We had agreed, Mr. President, that there is no Bosnia-Hercegovina if it is transformed into a gaming table, or when two start to play against the third. Unfortunately, this game is in progress: Today, Muslims and Croats are playing against the Serbs.

"Mr. President, you stated that you are forced into an alliance with Croatia and the Croats because the Serbs and Serbia are the aggressors against Bosnia-Hercegovina. Don't you think that a finger should not be pointed at a nation and a particular government, that a nation and extreme individuals and groups should not be pointed out? Finally, is it not true that all citizens of Bosnia-Hercegovina are the victims of this shameful war? Do I have to assure you that Sarajevo is not being bombed by the Serb nation, and do you, Mr. President, have to assure the Serb nation that the Muslim nation is not behind the knifes that had an orgy in Pofalici (on which occasion some of my cousins' throats were slit).

"I am against the principle of collective guilt. Everybody should condemn extremism and madness in his own house before putting the blame on his neighbor. We are all suffering and we are all ashamed. We all need penitence. Without it, there will be no reconciliation and common healing.

"It was destined for us to live together and we can live together only as human beings. We will rebuild the razed cities, villages, mosques, synagogues, and religious schools. Unfortunately, we will not be able to revive the

dead. But the ones who live will not have peace and tranquillity until we extinguish the volcanoes of hate and reach out to each other.

"I want to believe that you still believe in these principles and that is why I want to believe that you will expel both the regular and paramilitary Croatian formations. I want to believe that you will straighten the state tower of Bosnia-Hercegovina, dangerously tilted today, and in this way create the conditions for the arrival of peace and a democratic dialogue within Bosnia-Hercegovina and also with its neighbors."

Renaissance Movement Presents Peace Platform

LD1106171392 Belgrade TANJUG Domestic Service in Serbo-Croatian 1442 GMT 11 Jun 92

[Text] Belgrade, 11 Jun (TANJUG)—The Deputies' Club of the Serbian Renaissance Movement today submitted to the Serbian prime minister its platform on how to resolve the crisis. It reads:

"At a time when the Serbian people are dismembered yet again into several independent states and when their very existence in western Serbian states is threatened, no political party, whether in power or in opposition, should dare risk a civil war. This requires, first of all, tolerance and flexibility, both on the side of the government and its party and on the side of the opposition, as well as willingness to work out an appropriate historic compromise between the government and the opposition. This compromise could be reached only under the following conditions:

"1. The ruling party should surrender most of its power until the transitional elections and transfer it to the state organs in which the public at large and all relevant political factors in Serbia will have complete trust; and

"2. The democratic opposition must reconfirm its readiness to fight for its political goals exclusively by democratic and peaceful means.

"When these conditions are met and both sides show goodwill to reach the abovementioned historic compromise, the following steps should be taken to ensure that the compromise includes the following:

"1. The transfer of power of the president of the republic and the ruling government to a transitional government, which would be composed of the most eminent persons and those most accustomed to political affairs, from the leading political parties—both in power and in opposition, but with proven democratic orientation—to the most eminent people not belonging to any party;

"2. The transitional government may not remain in power longer than six months, during which time conditions will be prepared for calling an election for a constituent assembly;

"3. A roundtable should be organized comprising the ruling party, the opposition parties, and the nonparty factors which would establish conditions for a just and equal appeal to the sovereign will of the people at the elections for a constituent assembly; and

"4. The roundtable should be given the role of a supervisory committee for carrying out the elections for a constituent assembly.

"Apart from reaching this historic compromise the following should be done without delay:

"A. Ban all private and paramilitary units;

"B. Seize weapons from those who possess them without legal authorization;

"C. Keep under control those groups and individuals threatening non-Serbian citizens with expulsion; and

"D. Initiate talks with representatives of the Albanian and Hungarian national minorities in order that all their legitimate demands may be established and consequently fulfilled, in keeping with the universally recognized international criteria on the status and rights of national minorities.

"All sides agreeable to this compromise would undertake beforehand to observe the compromise in good faith."

Milosevic Sees Need for Anti-Inflation Measures

AU1106081392 Belgrade POLITIKA in Serbo-Croatian 29 May 92 p 1

[Unattributed report: "Together Against Inflation"]

[Text] "Considering the preparations under way in Serbia and Montenegro, we expect that the new federal government will present a detailed program soon for reversing inflation and creating conditions for a rapid and successful economic recovery."

This was said yesterday by Slobodan Milosevic, president of the Republic of Serbia, during talks held in the Serbian Chamber of Commerce with directors of a number of big companies, private businessmen, and the management of the Chamber.

"Time is the key factor, because unless we have a complete program by midsummer and start its intensive implementation from the point of view of stopping inflation and starting an economic recovery, this year will be totally lost. That is why we insist that the new Assembly and federal government not waste a day, not a minute.

"Introducing order in the economic life of the country—which means eliminating everything that creates chaos in the economy—and placing it in the function of institutions of the federal state present, in that respect, a crossroads. Unless it is done, inflation and the speculative motivation built on it will block a healthy motivating basis for the increase in production and the

effectiveness of the economy, and it will endanger economic recovery, which is the condition for economic development and an increase in living standards.

"The aim of economic policies should be the creation of conditions for economic development and therefore, economic success—simply, creating wealth through work and not through speculations and malpractice, which today causes concern, disapproval, even revolt in citizens and businessmen alike. It has to mean that low productivity and inefficiency will no longer be concealed by the endless rising of prices, that is, every company will have to face and deal with its own weaknesses of this kind and look for solutions in their own productivity, not in increasing prices.

"Therefore, in both the adoption and the carrying out of the program, we should be united: the government, syndicates, businessmen—all of you, and your colleagues throughout the country."

During yesterday's long talks, economic trends in the republic were discussed, as were vital questions concerning economic recovery and the improvement of business efficiency of economic entities in Serbia.

The directors and businessmen discussed in detail the measures to fight the economic crisis, the problems of current business, and the adoption of the anti-inflation program. Special attention was drawn to the negative consequences of inflation on economic trends and the living standards of the population, the results of whose work had been greatly devalued, and the competitive ability of our economy diminished on the international market.

The accomplishment of projects that have already started—modernization and construction of a new railway, highways, telecommunications, and other infrastructure, which should positively influence the development of other industries—and significant investments, should contribute to economic recovery and a quick end to the crisis.

The talks centered on efforts to improve further economic activities in which Serbia has good potential and development advantages. In this regard, an assessment was made that for further successful development of agriculture, two key conditions would have to be provided: global systemization of agricultural surfaces, and a program for the revitalization of villages. It was also estimated that with a successful harvest and the decision on protected prices of basic agricultural products, conditions were created for the production and purchase of the requisite amount of food for this year.

As for activities aimed at encouraging production in Kosovo and Metohija, the businessmen said that the available capacities, which had not, until recently, been sufficiently employed, were functioning with increasing success and were now mostly yielding positive results. It was generally agreed that it is necessary to continue the process of market association and to more effectively employ the capacities in Kosovo and Metohija.

Regarding the sanctions that might be imposed against the Federal Republic of Yugoslavia, it was stated that they contradict many examples of successful economic cooperation and mutual interests of our businesses and foreign companies. It was estimated that by turning to markets and economic partners in countries that would not reject economic cooperation, companies could largely avoid interruptions in production and other interferences in business and thus reduce the possible negative effects of such discriminatory measures.

Official Denies Muslim Concentration Camp Charge

LD1006164592 Belgrade TANJUG in English 1117 GMT 10 Jun 92

[Text] Belgrade, June 10 (TANJUG)—The office of the Commissioner for Refugees of the Republic of Serbia on Wednesday denied a Hungarian television report claiming that Serbia has confined Moslems to a concentration camp in Subotica, a town in the north of the Serbian province of Vojvodina.

The office invited Yugoslav and foreign reporters to visit Subotica and see for themselves that the story had been fabricated.

Of some 400 refugees in Subotica, most are Moslem women and children and they have been accommodated by the town's Red Cross Organization, the office said.

The refugees have expressed a wish to go to Hungary and from there possibly to Western Europe, and their passports are being prepared by the Subotica Police Department, the office added.

Sanctions Threaten Complete Halt to Industry

LD0906165392 Belgrade TANJUG in English 1159 GMT 9 Jun 92

[Text] Belgrade, June 9 (TANJUG)—The international sanctions against the Federal Republic of Yugoslavia, which comprises the Republics of Serbia and Montenegro, have jeopardized the survival of the greater part of industry, which will come to a complete halt within ten days, Yugoslav economists say.

As of Monday, the Belgrade motor manufacturer 21 Maj has sent on an unplanned vacation with minimum pay four-fifths of its total workforce of 5,000, Assistant Director Aleksandar Dzigurski has said.

About 60 per cent of 21 Maj's production is usually sent to the biggest domestic car factory—Zastava of Kragujevac - which has also stopped its production lines because of shortages of car parts and other materials, Dzigurski underscored.

The Smederevo Metalworks (Mks) is still able to supply Serbia's entire metal industry, but raw material stocks will not last for ever, says Director Dusan Matkovic.

The Pancevo fertilizer factory Azotara on Tuesday stopped its roduction of mineral fertilizers after gas exports were halted. The factory uses about 34 million cubic metres of gas a month, a quantity which cannot be supplied by domestic producers.

During the weekend, the Hungarian authorities closed down the gas pipeline so hastily that there was a risk of damage to our installations, Azotara Assistant Director Dragan [name indistinct] said.

Assistant Director at the Belgrade tractor manufacturer Imt Petar Dubajic says that the factory's 8,500 workers will work only until the end of June.

The motor and tractor factory Imt had a contracted 20 million dollars worth export of tractors for this year. Imt's imports are worth a relatively modest ten million dollars but necessary for production.

The Nis-based mechanical engineering works Min, which has some 12,000 employees, had contracted for this year 20 million dollars' worth of business with Iranian partners. The economic sanctions will jeopardize this and other exports contracts on which Min was to earn several dozen million dollars, director Milovan Krivokapic says.

The Trstenik holding company Prva Petoletka planned for this year exports of pneumatic and hydraulic equipment worth some 50 million dollars. Director [name indistinct] said that the [words indistinct] because the import of raw materials has been blocked.

On May 30, the U.N. Security Council adopted strict economic and political sanctions against the Federal Republic of Yugoslavia. The most drastic sanctions ever posed by the U.N. were adopted because Belgrade was proclaimed the only culprit for the war in the former Yugoslav Republic of Bosnia-Hercegovina.

In his latest report to the Security Council, made public on June 2, U.N. Secretary General Butrus Butrus Ghali presented facts implying that the F.R.Y. has not committed an aggression against Bosnia-Hercegovina, and laid part of the blame for the war on the former Yugoslav Republic of Croatia.

Yugoslavia has been subjected to economic sanctions by the European Community (E.C.) since November last year. The measures included a ban on [words indistinct] Yugoslav products on Western European markets and the severance of all assistance to the Yugoslav Federation, which numbered six members at the time. By the end of 1991, the E.C. lifted the sanctions against all except Serbia.

Unions Urge Government To Help End Sanctions

LD1006215992 Belgrade TANJUG in English 1849 GMT 10 Jun 92

[Text] Belgrade, June 10 (TANJUG)—The trade unions [TU] of Serbia urged on Wednesday the president of the republic, the National Assembly (parliament), and the competent federal bodies, to channel their political activities so as to help the soonest possible lifting of a United Nations blockade against the Yugoslav Republics of Serbia and Montenegro.

The trade unions assessed that the blockade, if longer than three months, would devastate the economy.

Accusing the government of generating false optimism through speeches of its members, the [word indistinct] presidency cautioned that people were on the verge of biological survival while famine, poverty and social unrest were looming large.

The TU presidency said the government's attitude towards the general public was unconformed with the seriousness of the situation, because the government had told people nothing of the real effects of the blockade even ten days after its imposition.

The office of Prime Minister Radoman Bozovic was sought to implement urgent short-term steps in order to secure at least the minimum subsistence level for workers and distribute the burden of the blockade on all segments of the population.

Shooting Occurs at Belgrade Taxi Protest

LD1206062392 Belgrade TANJUG in English 2258 GMT 11 Jun 92

[Text] Belgrade, June 11 (TANJUG)—A protest gathering of Belgrade taxi drivers which started on Thursday morning before the Federal parliament while it was being constituted had not ended by midnight local time.

The taxi drivers are protesting because the local and republican authorities in Serbia have not met their demand to stop issuing new operating licences. They say that there are already too many of them and that in the latest situation in Yugoslavia a further increase in their number would make it even more difficult for them to earn their daily bread.

The protest turned violent on two occasions, luckily without casualties.

The first incident, which took place early in the afternoon, involved the protesters and Dr. Vojislav Seselj, a parliamentary deputy and the leader of the Serbian Radical Party, the biggest opposition party in the parliament. A scuffle broke out and a shot was fired—police say there are indications the gunman was one of Seselj's entourage.

The second incident took place after 20:00 local time (18:00 GMT) in Central Belgrade's Terazije Square.

when a private citizen trying to force his way in his car through the roadblock made up of taxis fired his handgun into the air. The gunman fled from the scene, but a fight broke out between taxi drivers and police. Eyewitnesses say several taxi drivers were arrested, but no official statement has yet been issued.

Meanwhile, the municipal authorities have announced that they will stop issuing new operating licences for taxi drivers until a new law and additional regulations on traffic and the taxi service in Belgrade are adopted.

The taxi drivers threatened to continue their protest until their demands were met.

UN Sanctions, Milosevic Opponents Criticized

AU1106135092 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT 10 Jun 92

[Krste Bijelic commentary]

[Text] Has the great world started to get excited because of the draconian and unprecedented sanctions with which the Security Council has punished Yugoslavia, or are our self-appointed apostles of democracy and peace right when they passionately claim that Serbia is the biggest and only culprit for the Balkan apocalypse?

[Begin recording of a speech by writer Matija Beckovic] The international community has pronounced sentence on Serbia without a single vote against. This was not done only by the United States, or Germany, or Russia, but everyone, even the so-called third world, of which Yugoslavia was one of the founders. [end recording]

Butrus Ghali thinks somewhat differently. If nothing else, he says that at least two sides are needed for war, hatred, or love. The claim that the entire international community has pronounced judgment on Serbia cannot be valid even as a poetic metaphor, because passionate subjectivity, which Resolution 757 is brimming with, cannot be the fruit of the world's collective will, but only a consequence of pressures, and we know whose these are. In other words, it is the expression of the interests and plans of the self- appointed masters of the world.

The fact that countries like China and even Zimbabwe—who are far away from our reality, and even further away from our historic and other traumas and burdens—felt at the very beginning that the entire story concerning sanctions is founded on shaky ground, was the first signal to the world for political as well as moral reexamination.

This process is taking place everywhere, in the East and the West. The Western alliance's media, which had been obediently monolithic in their anti-Yugoslav and anti-Serbian campaign until yesterday, are today taking a closer look and finding weak points not only in the Serbian but also in other, more important and more influential politics.

The wave of sobering up, or better said, embitterment, has already affected Moscow, that is to say, Russia. The local opposition, with the exception of the radicals who are Rome's branch, is demanding that Russia reexamine its policy toward Serbia and Montenegro. Numerous Russian intellectuals, among whom there are 300 writers led by Leonid Leonov, are also demanding that the government accounts for itself. It will not be easy for Yeltsin and Kozyrev to explain, let alone justify the Russian signature under the pogrom of Resolution 757.

The Serbs scattered around the world, despite their varying political beliefs and colors, have enough strength to rise above the power struggle among the parties in Serbia. Dr. Stoiljko Kajevic, who is an anti-communist by conviction, has recently sent an open letter to Slobodan Milosevic from the United States in which he said the following: It is not true that you are an obstacle to the West because you are a socialist, nor that your replacement will solve all problems. This is a story for children and the shallow-minded. The West is bothered by all Serbs who are dignified and honorable, especially if such a Serb is the head of state.

On top of all this we hear the following in the middle of Serbia:

[Begin Beckovic recording] Mr. President, during World War II, the occupier prescribed a reprisal for Serbs amounting to 100 [Serbs] for one [German]. The United Nations is demanding one for all. The all refers to the Serbian people, and one refers to you, Mr. President of the Republic of Serbia. [end recording]

Should we go back to Ottoman times when one Serbian head was chopped off and taken to the Sultan as a present. This was the head of Karadjordje [leader of anti-Ottoman uprising in Serbia]. Matija Beckovic is a member of the Crown Council of Karadjordje's descendant and his offering of another Serbian head to the world's strongmen has no moral support even as a poetic device.

Of course, everyone is entitled to disagree with the current authorities. However, before any criticism is addressed at their expense, he must first condemn this monstrous resolution with which the entire nation is being excluded not only from the economic and financial, but also from the cultural, scientific and even sports world.

In their letter to Slobodan Milosevic, Depos [Democratic Movement of Serbia] and its preacher Matija Beckovic, however, instead of expressing disgust with at least the intention of the Americans and Germans to even punish us with an embargo on food and medicine, cynically say: there are no words to express how we are fed food and medicine with a long spoon and out of pity as if we were outcasts.

This bitter taste is not made any sweeter by the fact that Beckovic later, but only in reply to a question by a reporter, said something resembling a dissociation from the resolution.

Fortunately, the feeling for justice and truth has not been suppressed among the Serbian people. Judging by the numerous reactions in the public, the people know that those who are indeed behind Resolution 757 are not only calling for the fall of Slobodan Milosevic, but something much more profound and more portentous, namely for Serbia to reconcile itself to the role of a vassal and for Serbs outside Serbia not only to renounce their right to self- determination, but also the right to defend their very existence.

Kosovo

CSCE Delegation Reports on 'Political Tension'

AU1206112892 Vienna KURIER in German 12 Jun 92 p 3

[Ingrid Steiner report: "'Unfavorable' for Belgrade"]

[Text] Last week a delegation of the Vienna CSCE Conflict Prevention Center returned from Kosovo with alarming news: Since its withdrawal from Macedonia, the Yugoslav Federal Army has stationed its 52d Corps (with 4,000 men officially) in this province, which is mainly inhabited by Albanians, and has expanded and reinforced the barracks. "Actually, this step does not yet mean any increased military activity," Helmut Wessely, Austrian CSCE envoy in the Vienna Foreign Ministry, says, drawing this conclusion from the report of the Conflict Prevention Center mission. However, the massive influx of tanks and heavy weapons of the federal troops is overwhelming, a potential strike against the civilian population would be "effective from the military point of view." The Albanians, on the other hand, are unarmed. There is no territorial defense.

"In Kosovo the Federal Army does not have any other function than to destroy everything if ethnic conflicts break out," Wessely fears. Belgrade itself admitted its intention to attack Albanian civilians in a statement: The increased stationing of armed forces is "necessary in order to eliminate all risks and dangers that result from the complicated and unfavorable ethnic composition there."

The result of this first mission of the Vienna Conflict Prevention Center in the history of its now one-and-a-half years of existence: At the moment it is not so much the military tensions that are dangerous for Kosovo but the political tensions. However, the threat that is posed by the Yugoslav Air Force was not mentioned. It is not stationed in Kosovo, but it can start its bombardments from Serbia or Bosnia at any time.

The CSCE now wants to draw public attention to the endangered areas of crisis through a series of missions to Kosovo, Sanjak, and Vojvodina. Belgrade has protested against these initiatives.

Accord Enables Printing of Pristina Papers

LD1006190392 Belgrade TANJUG Domestic Service in Serbo-Croatian 1513 GMT 10 Jun 92

[Text] Pristina, 10 June (TANJUG)— According to the latest agreement between publishing firms and the Gracanica printing plant, Pristina's daily newspapers will be printed after all and will appear at newsagents tomorrow. Following the statement by the Gracanica printing plant director, Predrag Arsic, that the printing of daily newspapers and periodical editions had to be suspended for lack of paper and other components, a number of responsible elements in this production chain have promised that they will find ways of repaying their outstanding debts to the printing plant, thus enabling it to purchase production materials. In Director Arsic's words, the printing plant's management has taken account of the circumstances in which it decided to stop printing the Kosovo and Metohija press in all languages but it is still not certain whether it will be able to start doing its job as soon as tomorrow.

Montenegro

Socialist Party Condemns Milosevic Policies

AU1106163792 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 11 Jun 92

[Text] According to the platform it put forward at a news conference today, the Socialist Party of Montenegro opposes the international isolation of Montenegro and demands a government of civil unity for the republic. At a meeting that is still in progress, tenants of the student dormitories in the republic's capital city are demanding an answer to the question of who the Students Forum represents. Jagos Stojanovic has a report from Podgorica:

[Begin Stojanovic recording] The text of the platform of the Socialist Party begins with the desire to avoid a catastrophic outcome of the current international position of Montenegro and puts forward a dozen stands for lifting the sanctions of the Security Council of the United Nations Organization. They include the formation of a government of civil unity and the adoption of a declaration by the republican government that would condemn the policies of Slobodan Milosevic, unconditionally accept the UN Security Council Resolution, and establish a moratorium on the creation and functioning of the federal state.

According to the stand of the Socialist Party, the declaration would mean condemnation of all the warring sides in Bosnia-Hercegovina, the recognition of the former republics within the existing borders, and the start of a procedure to decide on contentious Prevlaka. It would, briefly, also mean the initiation of the integration of the former Yugoslav republics; putting the Army under civilian control; the disarmament of paramilitary groups and individuals in Montenegro; and the prevention of all warmongering media messages.

As I report on the initiative of the Presidium of the Students Organization of the student dormitories, a meeting is under way in Podgorica in order to explain the role of the Students Forum, which, as has been said, speaks on behalf of the student population of Montenegro but without real support. [end recording]

Meeting Convened To Discuss Unity Government

LD1106171792 Belgrade TANJUG Domestic Service in Serbo-Croatian 1510 GMT 11 Jun 92

[Text] Podgorica, 11 Jun (TANJUG)—The opposition parties' proposals for the formation in Montenegro of a so-called antiwar coalition or a kind of government of national-civic salvation and unity, merits consideration, the Montenegrin Presidency said today.

The Presidency of the republic has examined the initiative of parliamentary and nonparliamentary parties on securing civil peace in Montenegro, interethnic tolerance, and the continuation of political dialogue, and proposed that a meeting with representatives of the opposition parties should be held on Wednesday 17 June, a statement from the Montenegrin Presidency says.